



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: July 15, 2010
SUBJECT: Agenda for Board Meeting of the Authority July 15, 2010

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

Chief Executive Officer's Monthly Report to the Board

Authority Matters

Bond Projects

Loans/Grants/Guarantees

Incentive Programs

Board Memorandums

Real Estate

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

June 8, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca, representing the State Treasurer; Harold Wirth, Commissioner, Department of Labor and Workforce Development; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Charles Sarlo, Laurence Downes, Steve Plofker, Timothy Carden, Marjorie Perry, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; Kevin Brown, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Present via conference call: Joseph McNamara, Vice Chairman; and Dr. Randal Pinkett, Public Members.

Absent from the meeting: Ray Cantor representing the Commissioner of the Department of Environment Protection;

Also present: Caren Franzini, Chief Executive Officer of the Authority; Tom Hower, Governor's Authorities' Unit; Bette Renaud, Deputy Attorney Generals, and guests.

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

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

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

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the May 10, 2010 meeting minutes. A motion was made to approve the minutes by Mr. Kosoffsky, seconded by Mr. Burke, and was approved by the 14 voting members present.

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

AUTHORITY MATTERS

The next item was to approve the Memorandum of Understanding with the Port Authority of New York and New Jersey that provides for new overseas representation for New Jersey designed to stimulate investment from global sources into the State and to expand State exports to markets abroad.

**MOTION TO APPROVE: Mr. Brown SECOND: Mr. Plofker AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:1**

AMENDED BOND RESOLUTIONS

PROJECT: New Jersey-American Water Company, Inc. **APPL.#30553**
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: \$325,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Petrecca AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Springpoint Senior Living, Inc. Obligated Group **APPL.#10254**
LOCATION: Various
FINANCING: \$29,600,000 Tax-Exempt Bond
MODIFICATION: Approval of a supplemental loan and trust agreement to modify the interest rate of the tax-exempt bond.
MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Yeshiva Orchos Chaim, Inc. **APPL.#28879**
LOCATION: Lakewood/Ocean Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$6,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Family Service of Burlington County, New Jersey **APPL.#31723**
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: \$4,675,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Concordia Learning Center at St. Joseph's School **APPL.#31231**
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$8,350,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Poliner SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Mr. McNamara left the call after the motion.

PRELIMINARY RESOLUTIONS

PROJECT: Mercer Street Friends **APPL.#31916**
LOCATION: Ewing/Mercer Cty.
PROCEEDS FOR: refinance existing debt
MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Ray Burke, Chairman, Director's Loan Review committee provided an overview of the recent committee discussion that reviewed EDA programs that assist small businesses, including bank partnerships and staff approvals expedited by delegated authorities.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:8

PROJECT: Mary E. George **APPL.#31030**
LOCATION: Cherry Hill/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$113,214 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Isles Properties, Inc. **APPL.#30803**
LOCATION: Trenton/Mercer Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$115,862 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Jenny Lussa **APPL.#31175**
LOCATION: Rahway/Union Cty.
PROCEEDS FOR: upgrade, closure, and site remediation
FINANCING: \$132,664 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Joseph R. LaRose **APPL.#30925**
LOCATION: Cherry Hill/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$154,286 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: William P. Lyng **APPL.#30387**
LOCATION: Hackettstown/Warren Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$138,447 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Sparta United Methodist Church **APPL.#30668**
LOCATION: Sparta/Sussex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$318,467 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Geraldine Sulish **APPL.#30084**
LOCATION: Bordentown/Burlington Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$21,908 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of May 2010. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

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

PROJECT: County of Essex (Passaic River Waterfront Park) **APPL.#31919**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$694,825 Hazardous Discharge Site Remediation Fund

PROJECT: City of Newark (Passaic River Waterfront Park) **APPL.#31918**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$421,169 Hazardous Discharge Site Remediation Fund

PROJECT: OWF, LLC **APPL.#31131**
LOCATION: Neptune/Monmouth Cty.
PROCEEDS FOR: preliminary assessment
FINANCING: \$250,000 Hazardous Discharge Site Remediation Fund Matching Grant

The next item was a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of May 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

The next item was to approve several changes to implementation of the Urban Transit HUB Tax Credit Program to improve its effectiveness and to comport with statutory requirements made in amendments to the HUB law. These include 1) limiting the maximum Urban Transit HUB award to the capital investment in the project; 2) modifying the treatment of existing jobs in the net benefit analysis; 3) providing a 25% bonus for jobs that are not at risk of leaving the State but are moving from suburban to urban locations; 4) providing a 25% bonus factor for logistics projects associated with freight rail and urban grocery stores; and 5) increasing the allocation cap of credits to the residential portion of the HUB program.

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

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: 4D Security Solutions, Inc. **APPL.#31759**
LOCATION: TBD **BUSINESS:** professional services
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: drugstore.com, inc. and subsidiaries **APPL.#31719**
LOCATION: TBD **BUSINESS:** transportation & logistics
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Mars Retail Group **APPL.#31814**
LOCATION: Mount Arlington/Morris Cty. **BUSINESS:** food products
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Poliner **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Precise Corporate Printing, Inc. **APPL.#31294**
LOCATION: TBD **BUSINESS:** printing and publishing
GRANT AWARD: 25% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: SSM Industries, Inc. **APPL.#31718**
LOCATION: West Deptford/Gloucester Cty. **BUSINESS:** industrial/electrical equipment
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. Petrecca **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BRRAG TAX CREDIT TRANSFER PROGRAM

The next item was to approve the BRRAG Tax Credit Certificate Transfer Program application of American Van Equipment, Inc. to transfer unused tax credits to Apple, Inc.

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

UEZ/SALEM SALES TAX EXEMPTION PROGRAM

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Application of Mallinckrodt Baker, Inc., a manufacturer that is located in Phillipsburg. The estimated annualized U-STX benefit is \$347,000.

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

BOARD MEMORANDUMS

PROJECT: Imperial Bag & Paper Company, Inc. **APPL.#10664**

LOCATION: Bayonne/Hudson Cty.

FINANCING: \$750,000 BEIP grant

REQUEST: Consent to the acquisition of operating assets of Imperial Bag and Paper Company, Inc. by Imperial Bag Holdings, LLC.

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

PROJECT: LifeCell Corporation **APPL.#10664**

LOCATION: Bayonne/Hudson Cty.

FINANCING: \$1,058,400 BEIP grant

REQUEST: Consent to the Kinetic Concepts, Inc. acquisition of LifeCell Corporation as its new parent company.

MOTION TO APPROVE: Mr. Poliner SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

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

New Jersey Business Growth Fund: Bartnik Properties, LLC and Clifton Wallington Medical Group PA; Bright Lights USA, Inc.; Ellis Real Estate Holdings LLC; Fries Mill Properties, LLC

NJ Main Street Program: Christopher Charles Fine Jewelry Corporation

REAL ESTATE

The next item was to ratify the decision of the Chief Executive Officer, the Senior Vice President of Operations, and the Director of Real Estate Development to declare an emergent condition at Authority-owned property located in Logan Township, New Jersey and select T&M Associates for engineering services.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Sarlo AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

The next item was to approve for the Authority to enter into a five-year lease with Sophion Bioscience, Inc. for 5,125 square feet of generic wet lab space in the Tech III building.

MOTION TO APPROVE: Mr. Sarlo SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PUBLIC COMMENT

Chairman Koeppe requested comments from the public.
There was no comment from the public.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and to enter into Executive Session to discuss a potential legal matter.

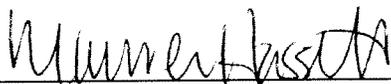
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

The next item was to reject Business Automation Technologies (d/b/a Data Network Solutions (DNS') Proposal for non-responsiveness to the requirements of the RFQ/P, to terminate the 2010-RFQ/P-035 selection process, and to continue the procurement of these services under 2010-RFQ/P-037.

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

There being no further business, on a motion by Mr. Kosoffsky, and seconded by Mr. Carden, the meeting was adjourned at 12 noon.

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



Maureen Hassett, Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

June 17, 2010

MINUTES OF THE SPECIAL MEETING

Members of the Authority present: Joe Latoof, representing the Commissioner of the Department of Labor and Workforce Development; and Richard Poliner, representing the Commissioner of the Department of Banking and Insurance, and Public Members Timothy Carden.

Present via Phone: Al Koepp, Chairman; Jim Kelly, representing the State Treasurer; Public Members: Joseph McNamara, Vice Chairman; Laurence Downes, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky; Second Alternate Public Member; and Kevin Brown, Third Alternate Public Member.

Absent from the meeting: Ray Cantor, representing the Commissioner of the Department of Environment Protection; Public Members: Charles Sarlo, Steve Plofker, Dr. Randal Pinkett, Marjorie Perry, and Rodney Sadler, Non-Voting Member.

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

Chairman Koepp called the meeting to order at 12:30pm.

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 was to review a contract award for ISP/VoIP services with PAETEC for a term of one year (1) year with an additional four (4) year renewal options, on terms acceptable to the Chief Executive Officer and the Attorney General's Office.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: N/A
RESOLUTION ATTACHED AND MARKED EXHIBIT:**

PUBLIC COMMENT

Chairman Koepp requested comments from the public.

Mr. Isaac Fajerman, President, Data Network Solutions, resident of Rumson, NJ stated that he objected to the action taken at the June 8, 2010 meeting because he was not provided an opportunity to provide public comment because there was no notice that the matter was being heard. He asked the motion be set aside and reheard and the Hearing Officer's decision documents be released.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and to enter into Executive Session to receive legal advice on a contract matter.

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

The Board returned to Public Session.

The next item was a motion to withdraw the previous motion to award the contract.

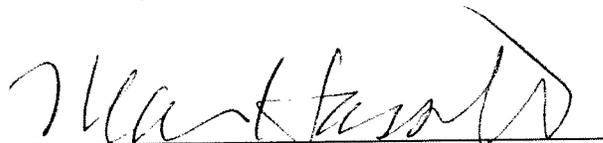
**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

The next item was a motion to hold the decision of the Board on the contract award in abeyance to allow an exception period of ten business days, so that rejected bidders could receive and review the hearing officer's report, and provide written exceptions for the Board to consider. The ten day period would begin upon release of the report.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

There being no further business, on a motion by Mr. Carden, and seconded by Mr. Latoof, the meeting was adjourned at 1:45pm.

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



Maureen Hassett, Assistant Secretary

MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 15, 2010

RE: Chief Executive Officer's Report to the Board

EDA NEWS

EDA Participates in Campbell Soup Unveiling, Sandoz Center Ribbon Cutting

The EDA joined other state, county and local officials last month to celebrate the grand opening of **Campbell Soup Company's** new Employee Center on Campbell's Camden campus. Hundreds of community members also attended the event to mark the completion of the 80,000-square foot, LEED-certified facility.

Campbell invested up to \$93 million in the expansion project, which also includes ongoing enhancements to existing Campbell facilities and its 40-acre campus and the acquisition of land for future redevelopment. The expansion is designed to help Campbell attract, retain and develop the best talent in the food industry and to spur increased revitalization in Camden. With the completion of the new building, Campbell's Camden World Headquarters includes approximately 750,000 square feet of office, research and development and training space.

We also participated in a ribbon-cutting ceremony to mark the relocation of the **Sandoz Product Development Center** to New Jersey. Sandoz, the second largest generics company in the world and third largest in the United States, is a member of the Novartis Group of companies. In 2009, Sandoz US relocated its product development center from North Carolina to East Hanover.

Over the past year, the company has invested more than \$15 million into renovating an existing Novartis building to become a state-of-the-art generics development center. More than 60 people have been hired to date, most of them scientists and skilled technicians. Plans call for up to 100 employees to work at the center by the end of 2010. The facility in East Hanover combines the very best that the pharmaceutical sector can provide with the continuing innovation around new medicines of Novartis coupled with the reliability and affordability of quality generics through Sandoz.

FINANCING ACTIVITY

The EDA closed financing and incentives totaling just over \$340 million for 146 projects through the end of June. These projects are expected to spur the creation of more than 2,100 new, full-time jobs and almost 2,400 construction jobs and involve total investment of over \$465 million in New Jersey's economy. Nearly half of the closings were with projects in New Jersey's urban communities. Among the financings that closed in June:

Tax-exempt bonds totaling nearly \$235 million were finalized with **Provident Group – Montclair Properties LLC** that will enable Montclair State University to develop 567,000 square feet of student housing in two buildings totaling 1,978 beds, a 25,000-square-foot student dining facility to seat 600 persons, and various student amenities such as multipurpose space, community kitchen, recreation and study areas, television lounges, and outdoor courtyards.

The funding is the first public-private partnership project on a public university property to move forward under the New Jersey Economic Stimulus Act of 2009. The project, which is expected to create 1,350 construction jobs, is targeted for completion prior to the start of the 2011-12 academic year. Last year, MSU issued an RFP to select a team to develop the dormitory and dining project on its campus. As a result of the process, the university selected Provident Resources Group, Inc. to serve as the project owner and Capstone Development Corp. and its affiliated companies to develop, manage and supervise the construction of the project.

Nautilus Solar WPU, LLC finalized a \$5-million, 10-year Clean Energy Solutions Capital Investment loan with the EDA in June that is being used to finance the construction and operation of the first 3 megawatts of a 3.5-megawatt solar energy project on the William Paterson University (WPU) campus in Wayne. The project, when complete, will be among the largest university solar installations in the United States. The funding is being used in conjunction with owner equity and a federal grant to support the \$15-million project, which will include rooftop and parking lot solar installations and is expected to go online this summer.

Nautilus Solar will own and operate the solar facility under a 15-year power purchase agreement through which WPU will purchase a renewable energy source at a reduced rate without any upfront costs. The solar power system is expected to reduce WPU's energy costs by \$4.3 million over the 15-year term and will be constructed by SunDurance Energy, a New Jersey-based solar system installer.

Driscoll Label Co., Inc. of Fairfield, an industry leader in the business of custom-printed, pressure-sensitive labels, including scratch and sniff fragranced labels, recently finalized funding under the state's Main Street Business Assistance Program that is being used to refinance existing debt and for working capital. Driscoll Label closed a \$1.34 million loan with TD Bank, N.A., which included a \$335,000 participation by the EDA. The financing also included a \$335,000 EDA guarantee of the bank's portion of the loan. Additionally, the EDA provided a 50-percent guarantee of a \$150,000 TD Bank line of credit under the Main Street program. Driscoll Label employs 12 people and expects to create five new jobs within the next two years.

TerraCycle, Inc. of Trenton, which converts waste materials into consumer products, closed a \$1-million loan with the EDA during the month that will be used to help the company advance its technology. The 9-year-old business expects to add 25 new jobs in the next three years as a result of the financing.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as attendees, exhibitors or speakers at 40 events in June. These included the New Jersey Business & Industry Association New Good Neighbor Awards Ceremony in Edison, the Morris County Economic Development Corporation's Awards Program in Whippany, the BioNJ Biopartnering Conference in Princeton, the New Jersey Association of Counties Annual Conference in Atlantic City, the Downtown Revitalization and Management Institute's Revitalizing Your Community for New Jersey's New Economy Program in Trenton, the Urban Land Institute of Northern New Jersey's Breakfast Roundtable in Trenton, and a Mount Laurel Chamber of Commerce networking event in Mount Laurel.

Additionally, the EDA's International Trade Team hosted a seminar in June at the Technology Centre of New Jersey in North Brunswick to help companies maximize their trade potential with India. With a middle-class population of more than 300 million people, India operates the world's fourth largest economy, with growth averaging 8 percent per year. Programs like this one help New Jersey companies learn what they need to know to build relationships and expand their business in foreign markets.



AUTHORITY MATTERS



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Board

FROM: Caren S. Franzini
Chief Executive Officer

RE: Proposed Rule Readoption
Title 19, Chapters 30 and 31

DATE: July 15, 2010

SUMMARY:

In accordance with N.J.S.A. 52:14B-5.1c, the Authority is required to perform a review of its regulations every five years to evaluate relevancy and continued appropriateness. The Authority's rules expire on July 22, 2010. Under statutory requirements, extending program regulations is considered a readoption and per statute, rules must be submitted by the expiration date to be extended for the next five years, or until July 2015.

EDA staff, with the Attorney General's office, has reviewed the Authority's existing regulations and, following consideration by the Policy Committee, is submitting for your review and approval the attached readoption proposal. In summary, the proposal would readopt a number of subchapters without change, namely:

- 19:30-1 General Provisions;
- 19:30-5 Targeting of Authority Assistance;
- 19:30-8 Professional Services Contracts;
- 19:31-1 Bond Financing Program;
- 19:31-4 Reserved (Placeholder for Economic Growth Grant Program);
- 19:31-9 Urban Transit Hub Tax Credit Program;
- 19:31-12 Technology Business Tax Certificate Transfer Program; and
- 19:31-13 Energy Sales Tax Exemption Program.

In addition, the proposal would repeal N.J.A.C. 19:31-5 which implemented the expired InvestNJ Business Grant Program Act, P.L. 2008, c.112, intended to provide one-time capital investment

and job creation grants to qualifying businesses.

The proposal also would readopt subchapters, with amendments, for the rules implementing Affirmative Action and Prevailing Wage requirements, as well as Fees, Loan Guarantee Programs, Direct Loan Program, Main Street Business Assistance Program, Local Development Financing Fund, Hazardous Discharge Site Remediation Fund, Business Employment Incentive Program and Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund sections of the rules.

The major revisions contained in the readoption proposal are described in further detail below:

Affirmative Action in Authority Financed Construction Projects – The proposed amendments clarify and define the standards that are necessary for the administration and enforcement of Affirmative Action in Authority financial assistance projects pursuant to the “New Jersey Economic Development Act,” N.J.S.A. 34:1B-1 et seq., and make the rules consistent with recent statutory revisions contained in P.L. 2007, c.245 (N.J.S.A. 34:1B-5.1). The purpose of these changes is to streamline and better describe the Affirmative Action process for Authority financed construction contract(s); and, to clarify when projects are exempted, i.e. when work is performed on a facility owned by a landlord of the entity receiving Authority financial assistance and the landlord is a party to the construction contract(s), and less than 55 percent of the facility is leased by the entity at the time of the construction contract(s), and under any agreement to subsequently lease the facility.

Payment of Prevailing Wages in Authority Projects – The proposed amendments, pursuant to statutory revisions contained in P.L. 2007, c.245 (N.J.S.A. 34:1B-5.1), clarify that the prevailing wage be paid to workers employed in the performance of any construction project receiving EDA financial assistance or undertaken to fulfill any condition of receiving EDA financial assistance, including assistance from the Business Employment Incentive Program (BEIP). The proposed amendments detail the circumstances for which the prevailing wage shall be paid for certain construction undertaken in connection with Authority financial assistance; and clarify that the payment of prevailing wage is not required for construction commencing more than two years after the recipient has executed a commitment letter with the EDA regarding the assistance and when the first payment or other provision of the assistance is received. Finally, the proposed amendments revise the rules governing the BEIP Program concerning prevailing wage and affirmative action requirements, N.J.A.C. 19:31-10.11, to also conform provisions relating receipt of payment of assistance to the provisions contained in P.L. 2007, c.245.

Fees – The proposed amendments establish fees for the newly-established Economic Redevelopment and Growth (ERG) Grant Program which provides incentive grants to developers, businesses or owners to capture new State and local incremental taxes derived from a project’s development to address project financing gaps. Also, the proposed amendments clarify the application fee and other fees for the Small Business Fund, as well as for funding provided under N.J.S.A. 34:1B-47 et seq., New Jersey Development Authority for Small Businesses, Minorities’ and Women’s Enterprises (NJDA), as jurisdiction and administration of the program was

transferred to the Authority, pursuant to P.L. 2008, c.27. This action discontinued the NJDA Board, but maintained funding requirements for second generation funds from the revolving loan pool. Also, the proposed amendments, at N.J.A.C. 19:30-6.4, establish a standard direct loan documentation fee and reduced fees for direct loans under certain small business funds; and, require that for any negotiations pertaining to such Authority documentation, any legal costs of the Authority shall be borne by the borrower. Finally, the proposed amendments clarify that the waiver exemption applies for a loan commitment extension fee.

Loan Guarantee Programs and Direct Loan Programs – The proposed amendments 1) delete provisions pertaining to the Film Production Assistance Program which has expired; and 2) incorporate requirements for funding provided under N.J.S.A. 34:1B-47 et seq., New Jersey Development Authority for Small Businesses, Minorities’ and Women’s Enterprises, as jurisdiction and administration of the program was transferred to the Authority, pursuant to P.L. 2008, c.27.

Main Street Business Assistance Program – The proposed amendment, pursuant to recent statutory revisions, eliminate the two-year limitation on the duration of the program.

Local Development Financing Fund – The proposed amendments clarify that in the case of financial assistance from the Local Development Financing Fund 1) if financial assistance is provided to purchase a participation in a bank loan, a non-refundable fee of \$750 is charged with the acceptance of a commitment under the Fund; and, 2) a closing fee is not charged for a bank participation from the Fund.

Hazardous Discharge Site Remediation Fund – The proposed amendments implement statutory revisions which extend eligibility for funding under the Hazardous Discharge Site Remediation Fund to 1) licensed child care centers, required to perform an environmental evaluation and assessment of up to \$1,500 for the cost of the evaluation and assessment pursuant to P.L. 2007, c.135; and, 2) municipalities counties or certain redevelopment agencies for up to 75 percent of the cost of the remedial action for projects that involve the redevelopment of contaminated property for renewable energy generation pursuant to P.L. 2009, c.302. The proposed amendments also clarify that application fees are charged at commitment and closing for applicants for financial assistance. Finally, the proposed amendments also implement other technical revisions to clarify requirements under the program.

Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund – The proposed amendments and new rules implement statutory revisions to the Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund pursuant to P.L. 2009, c.134 and P.L. 2009, c.42. Among other revisions, the proposed amendments and new rules also clarify that application fees are charged at commitment and closing for applicants for financial assistance for tanks in non-residential buildings.

RECOMMENDATION:

The Members are requested to approve the proposed readoption and any non-substantive changes hereafter for submission to the Office of Administrative Law (OAL) for publication in the New Jersey Register, subject to review and approval by the Office of the Attorney General, Governor's Counsel and final comment by OAL. The expiration date of the rules will be extended for 180 days following publication in the New Jersey Register and, the proposed amendments and new rules may be adopted after the completion of the 60-day comment period.



Caren S. Franzini

Attachment
Prepared by: Jacob Genovay and Maureen Hassett

DRAFT

OTHER AGENCIES

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

Proposed Readoptions with Amendments: N.J.A.C. 19:30 and 19:31

Proposed Repeals: N.J.A.C. 19:31-2.1(c)4, 2.3(e) and 2.4(a)9; N.J.A.C. 19:31-5; and N.J.A.C. 12A:31-3

Proposed Readoption: N.J.A.C. 12A:31-1 and 2

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

Authority: N.J.S.A. 34:1B-1 et seq.

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

Proposal Number: PRN 2010-

Submit written comments by _____, __ 2010:

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

The agency proposal follows:

Summary

The New Jersey Economic Development Authority (“EDA” or “Authority”) proposes to readopt various subchapters in N.J.A.C. Title 19 Chapters 30 and 31, and Title 12A Chapter 31, Subchapters 1 and 2 which, pursuant to N.J.S.A. 52:14B-5.1c., are scheduled to expire July 22, 2010. In accordance with N.J.S.A. 52:14B-5.1c., the submission of this notice of proposal to the Office of Administrative Law extended that expiration date 180 days to _____, 2010.

The Authority has reviewed the subchapters contained in Title 19, Chapters 30 and 31 and Title 12A, Chapter 31, Subchapters 1 and 2, and determined that they are necessary, reasonable and proper for the purpose in which they were originally promulgated.

Accordingly, the Authority proposes to readopt certain subchapters without change, to readopt certain other subchapters with amendments to implement statutory revisions and/or to update provisions necessary for the implementation of applicable programs, and to repeal certain other subchapters pertaining to expired programs, as summarized below:

N.J.A.C. 19:30 Administrative Rules

N.J.A.C. 19:30-1, General Provisions, which sets forth the mission of the Authority and its specific objectives, the organization's governing body and operating divisions and also details the method by which the public can request information of the Authority and establishes which records maintained by the Authority will not be considered public records pursuant to the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., is proposed for readoption without amendments.

N.J.A.C. 19:30-2, Disqualification/Debarment/Conflict of Interest, sets forth the basis for which an applicant or contractor may be precluded from receiving Authority assistance directly or from the participation of a vendor in an Authority financed project, and is amended to revise and update terms included in the subchapter.

N.J.A.C. 19:30-3, Affirmative Action in Authority Financed Construction Projects, sets forth guidelines for the application, compliance and monitoring of affirmative action standards by the Authority. The proposed amendments are intended to define the standards that are necessary for the administration and enforcement of Affirmative Action in Authority financial assistance projects pursuant to the "New Jersey Economic Development Act," N.J.S.A. 34:1B-1 et seq., and the rules established by the New Jersey Department of Treasury. The proposed amendments, also intended to make the rules consistent with statutory revisions contained in P.L. 2007, c.245 (N.J.S.A. 34:1B-5.1), clarify when contractors employed in the performance of any construction project receiving EDA financial assistance or undertaken to fulfill any condition of receiving EDA financial assistance (including assistance received under the Business Employment Incentive Program) are subject to the subchapter. The substantive revisions to the subchapter are summarized as follows:

The proposed amendments at N.J.A.C. 19:30-1 redefine certain terms in the subchapter as follows: "AA officer" is changed to "AA Compliance Officer" throughout the entire subchapter; "construction contract," in accordance with P.L. 2007, c.245, is being amended to be consistent with the definition of "construction project" as proposed by the readoption of the subchapter; "construction project," in accordance with P.L. 2007, c.245, is being amended to clarify that 1) the Authority's affirmative action regulations apply whether the financial assistance is provided before, during or after the completion date of the construction project and 2) construction or renovation contemplated and described in a Business Employment Incentive Program application and undertaken in order to prepare a facility to accommodate the new or retained employees contemplated in the grant application, is also covered by this subchapter even though the Authority financial assistance may be paid to a project owner/applicant subsequent to the completion date of the construction project; "monitoring" is amended to clarify that it includes the performance of administrative tasks such as report and form review in addition to routine and non-routine site inspection visits and meetings; "Office of Affirmative Action" is being replaced with "Authority" throughout the subchapter to provide for organizational flexibility in the administration and enforcement of the Authority's affirmative action requirements; and "project owner/applicant" is being amended for consistency with P.L. 2007, c.245. The proposed amendments also provide additional definitions for "affirmative action," "Authority," "Authority financial assistance," "entity," "prime contractor," and "project."

The proposed new section, N.J.A.C. 19:30-3.2, delineates the policy of the Authority regarding the administration of an affirmative action program for any construction contract in connection with a project receiving Authority financial assistance or, any construction contract undertaken to fulfill any condition of receiving authority financial assistance including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance.

The proposed amendments to N.J.A.C. 19:30-3.2, recodified as N.J.A.C. 19:30-3.3, add the term subcontractor to clarify that the regulations apply to all tiers of construction contractors; insert provisions pursuant to P.L. 2007 c.245; clarify that exemptions to the subchapter are contained in 19:30-3.4; and, clarify that any reference to “owner/applicant” throughout the subchapter pertains to the project.

The proposed new section, N.J.A.C. 19:30-3.4, clarifies, pursuant to P.L. 2007 c.245, 1) that an exemption to this subchapter can also occur when work performed under a construction contract is performed on a facility owned by a landlord of the entity receiving the financial assistance and less than 55% of the facility is leased by the entity at the time of the contract as long as the parties to the contract are contractors and the landlord; and, 2) that the subchapter shall not apply to any construction contract commencing more than two years after a project owner/applicant has executed a commitment letter for Authority financial assistance and the first payment or other provision of the financial assistance is received.

The proposed amendments at N.J.A.C. 19:30-3.5 re-locate provisions from N.J.A.C. 19:30-3.4 relating to monitoring of contracts; and, at subsections (a) and (b), exempt construction projects undertaken in connection with the Business Employment Incentive Program, Business Retention and Relocation Assistance Grant Program and any other Authority financial assistance program that disburses payments after construction has been completed (i.e. any contract to otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance) from the retainage or holdback requirement of N.J.A.C. 19:30-3.5(c)2. The proposed amendments to N.J.A.C. 19:30-3.5(a), recodified as N.J.A.C. 19:30-3.5(c), are as follows: new (c)1 clarifies that NJEDA Addendum to Construction Contract will be included and considered as a required component of the Authority’s application for financial assistance; new (c)2 revises the Authority’s existing requirement for a 10 percent retainage for each construction project to insure EEO/AA compliance to a new provision that allows the initial 10 percent retainage amount to be decreased to 5 percent at 50 percent completion, upon request to and verification by the Authority of substantial compliance with the subchapter; new (c)3 adds terms “gender identity or expression, disability, and nationality,” where applicable, and the term “action” has been deleted and replaced with “equal employment opportunity” for consistency with terms contained in New Jersey Law Against Discrimination, N.J.S.A. 10:5-31 et seq. and the term “notice” is replaced by referral letters to reflect current practice; new (c)7 revises an outdated reference to N.J.A.C. 17:27-5.2 to N.J.A.C. 17:27-7.2 and new language is added referencing the Authority’s ability to exempt a contractor or subcontractor from good faith procedures as described in existing and proposed N.J.A.C. 19:30-3.6; new (c)8 adds the term “workforce” before requirements for clarification; new (c)9 clarifies that contractors must maintain certified payrolls consistent with regulations of the Department of Labor and

Workforce Development; and new (c)10 revises the reporting deadline for the monthly project workforce reports. In addition, N.J.A.C. 19:30-3.5(a)10 is deleted as the requirements for testing procedures conducted by construction contractors, if applicable, must be in conformance with N.J.S.A. 10:5-31 et seq.; N.J.A.C. 19:30-3.5(a)11 removes the existing requirement to submit an Affirmative Action Certificate as the form is duplicative in many respects to the NJEDA Addendum to Construction Contract; and, N.J.A.C. 19:30-4.5(a)12 is deleted and relocated with revisions to N.J.A.C. 19:30-3.5(c)1;

The proposed amendments to N.J.A.C. 19:30-3.3, recodified as N.J.A.C. 19:30-3.6, add various terms and references pursuant to the proposed revisions of the subchapter.

The proposed amendments to N.J.A.C. 19:30-3.4, recodified as N.J.A.C. 19:30-3.7, set forth requirements related to the monitoring of the Authority's financial assistance construction projects and contracts for compliance with the subchapter; paragraph (c) adds new language to clarify that the prime contractor must designate an employee as the primary contact with the Authority's AA Compliance Officer, as the project owner/applicant must currently designate; and, N.J.A.C. 19:30-3.7(d) is deleted and relocated to N.J.A.C. 19:30-3.5(a).

The proposed amendments to N.J.A.C. 19:30-3.6, recodified as N.J.A.C. 19:30-3.8, set forth compliance procedures and sanctions applicable to the Authority's financial assistance construction projects and contracts in the event of non-compliance as follows: (a)1 clarifies that an enforcement proceeding on the Authority's initiative can be initiated by monitoring conducted by an AA Compliance Officer; (a)2 increases the alert notice response time from three (3) business days to seven (7) business days and new language is added to clarify that the project owner/applicant will receive a copy of a violation notice in addition to the contractor or subcontractor; (a)3 clarifies that the project owner/applicant will be copied on a violation notice in response to a written complaint or allegation, in addition to the contractor or subcontractor; (a)4 adds the term alleged to acknowledge that some violations are alleged and not actual and can be resolved with additional information that is provided early in the compliance investigation process; (a)5 adds the term "technical assistance" to recognize that such meetings frequently take place at the request of a contractor, subcontractor or project applicant/owner and the Authority is available to conduct such meetings upon request; existing (c) is deleted and remedial actions are referenced in (b)1 through 5; (b) clarifies that the Authority may proceed with enforcement sanctions pursuant to this subchapter against a subcontractor or a project applicant/owner, and not just a contractor; (b)5 establishes that an Authority division other than the one responsible for implementing this subchapter is responsible for holding a hearing, if a contract termination or suspension proceeding is being considered; (c)3 is deleted as it provides an erroneous reference to a process that is applicable to public works projects pursuant to N.J.A.C. 17:27 and not applicable to projects receiving Authority financial assistance; (c)4 is deleted as the provision is not used; (c)5 is deleted as it is already provided for in new (b)2; the existing (c)6 is deleted as it is duplicative to the provision under existing regulations and proposed at N.J.A.C. 19:30(b)6; and, new (b)5 provides for an additional sanction which includes withdrawal from or termination of Authority financial assistance for non-compliance with this subchapter.

The proposed amendments to N.J.A.C. 19:30-3.7, recodified as N.J.A.C. 19:30-3.9, incorporate requirements for enforcement in accordance with P.L. 2007, c.245.

N.J.A.C. 19:30-4, Payment of Prevailing Wages in Authority Projects, sets forth the requirements for the payment of prevailing wages in construction contracts financed by the Authority, as well as certain construction projects receiving Authority financial assistance. The proposed amendments to the subchapter reflect statutory revisions pursuant to P.L. 2007, c.245 (N.J.S.A. 34:1B-5.1) and are intended to clarify that the prevailing wage be paid to workers employed in the performance of any construction project receiving EDA financial assistance or undertaken to fulfill any condition of receiving EDA financial assistance, including assistance from the Business Employment Incentive Program (BEIP). The substantive revisions to the subchapter are summarized as follows

The proposed amendments at N.J.A.C. 19:30-4.1 establish new definitions for “authority financial assistance,” “construction project,” and “contractor,” and revise the definition of “construction contract” to conform to the provisions of P.L. 2007, c.245.

The proposed amendments at N.J.A.C. 19:30-4.2 detail the circumstances for which the prevailing wage shall be paid for certain construction undertaken in connection with Authority financial assistance; and, clarify that the payment of prevailing wage is not required for construction commencing more than two years after the recipient has executed a commitment letter with the EDA regarding the assistance and the first payment or other provision of the assistance is received.

The proposed amendments at N.J.A.C. 19:31-4.3 delete language that does not apply to the Authority’s practice in monitoring prevailing wage compliance, i.e. requiring recipients of assistance to produce copies of construction contracts with contractors and subcontractors; and, require that the NJEDA affirmative action certificate include a representation that a landlord of the recipient of Authority financial assistance has not entered into any contracts subject to prevailing wage.

Finally, the proposed amendments at N.J.A.C. 19:30-4.4 require that the prime contractor of a construction contract subject to prevailing wage maintain and submit certified payrolls to the Authority, pursuant to the New Jersey prevailing wage regulations, set forth at N.J.A.C. 12:60-5.1.

N.J.A.C. 19:30-5, Targeting of Authority Assistance, which sets forth the priority consideration for projects in economically distressed localities and the basis upon which municipalities are selected for targeting, is proposed for readoption without amendments.

N.J.A.C. 19:30-6, Fees, sets forth fees for various programs administered by the Authority, and is amended as follows:

The proposed amendments at N.J.A.C. 19:30-6.1 establish an application fee of \$5,000 and provide that the full amount of the direct costs of any analysis by a third party retained by the Authority shall be paid by the applicant under the Economic Redevelopment and Growth (ERG) Grant Program, created pursuant to P.L. 2009, c.90; and, clarify the application fee of \$300 for the former FastStart for Small Business Fund renamed the Small Business Fund, as well

as for funding provided under N.J.S.A. 34:1B-47 et seq. pertaining to the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises, as jurisdiction and administration of the program was transferred to the Authority, pursuant to P.L. 2008, c.27.

The proposed amendments at N.J.A.C. 19:30-6.2 establish a commitment fee of .5 percent of the maximum aggregate amount of the incentive grant award not to exceed \$300,000 for a State or local incentive grant under the Economic Redevelopment and Growth (ERG) Grant Program; clarify the commitment fee of .5 percent of the loan or guarantee amount under the Small Business Fund; and, clarify the commitment fee of one-half of one percent of the total amount of a direct loan, or \$100, whichever is greater, for direct loans offered through funding provided under N.J.S.A. 34:1B-47 et seq.

The proposed amendments at N.J.A.C. 19:30-6.3 clarify the closing fee of .5 percent of the loan amount under the Small Business Fund, as well as for direct loans under N.J.S.A. 34:1B-47 et seq., for which the closing fee is one-half of one percent of the total amount of the direct loan; and, establish a closing fee of .5 percent of the maximum aggregate amount of the incentive grant award not to exceed \$300,000 under the Economic Redevelopment and Growth (ERG) Grant Program; however, for a combined the State and local incentive grant, the commitment and closing fees shall not exceed one percent of the maximum amount or \$600,000, whichever is greater.

The proposed amendments at N.J.A.C. 19:30-6.4 establish a standard direct loan documentation fee and reduced fees for direct loans under certain small business funds; and, require that for any negotiations pertaining to such Authority documentation, any legal costs of the Authority shall be borne by the borrower.

Finally, the proposed amendment at N.J.A.C. 19:30-6.7 clarifies that the EDA's fee waiver exemption applies for a loan commitment extension fee.

N.J.A.C. 19:30-7, Disability Discrimination Complaint Procedure, sets forth the procedures for the assurance of the Authority's compliance with the Americans with Disabilities Act (ADA), and is amended to revise the term "designated decision maker" to mean Chief Executive Officer.

N.J.A.C. 19:30-8, Professional Services Contracts, which sets forth the procurement process for professional services contracts, is proposed for readoption without amendments.

N.J.A.C. 19:31 Authority Assistance Programs

N.J.A.C. 19:31-1, Bond Financing Program, sets forth the eligibility standards and program criteria for the issuance of taxable and tax-exempt bonds, the proceeds of which can be used to provide low interest loans to businesses and certain not-for-profit organizations to finance projects which provide or maintain employment and/or tax ratables. The subchapter is proposed for readoption without amendments.

N.J.A.C. 19:31-2, Loan Guarantee Programs, sets forth the eligibility standards and program criteria for the approval of a guarantee or a portion of the principal amount of a financing for fixed assets or working capital which would increase or maintain employment and/or tax ratables in New Jersey, and which would not be made without the guarantee. The proposed amendments delete provisions pertaining to the Film Production Assistance Program which has expired pursuant to P.L. 2003, c.182 (N.J.S.A. 34:1B-181).

N.J.A.C. 19:31-3, Direct Loan Program, sets forth the eligibility standards and program criteria for the approval of direct loans to applicants which are unable to obtain funding from conventional sources even with the assistance of an Authority guarantee. The proposed amendments incorporate requirements for funding provided under N.J.S.A. 34:1B-47 et seq., pertaining to the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises, as jurisdiction and administration of the program was transferred to the Authority, pursuant to P.L. 2008, c.27.

N.J.A.C. 19:31-4, Reserved, is proposed for reoption without amendments.

N.J.A.C. 19:31-5, InvestNJ Business Grant Program, which implemented the InvestNJ Business Grant Program Act, P.L. 2008, c.112, to provide one-time capital investment and job creation grants to qualifying businesses, is proposed for repeal as the program has expired.

N.J.A.C. 19:31-6, Main Street Business Assistance Program, sets forth the eligibility standards and program criteria for the Main Street Business Assistance Program to provide guarantees and loans to small and mid-size businesses, and is amended, pursuant to recent statutory revisions, to eliminate the two-year limitation on the duration of the program..

N.J.A.C. 19:31-7, Local Development Financing Fund, sets forth the eligibility standards and program criteria to provide financial assistance to certain commercial and industrial projects in municipalities which qualify for aid pursuant to N.J.S.A. 52:27D-178. The proposed amendments clarify that, in the case of financial assistance from the Local Development Financing Fund, if financial assistance is provided to purchase a participation in a bank loan, a non-refundable fee of \$750 is charged with the acceptance of a commitment under the Fund; and, a closing fee is not charged for a bank participation derived from the Fund.

N.J.A.C. 19:31-8, Hazardous Discharge Site Remediation Fund, sets forth the eligibility standards and program criteria for the purpose of financing remediation activities at sites where there is a suspicion or actual discharge of hazardous substances or hazardous waste. The proposed amendments implement statutory revisions which extend eligibility for funding under the Hazardous Discharge Site Remediation Fund to 1) licensed child care centers required to perform an environmental evaluation and assessment of up to \$1,500 for the cost of the evaluation and assessment, pursuant to P.L. 2007, c.135; and, 2) municipalities, counties or certain redevelopment agencies for up to 75 percent of the cost of the remedial action for projects that involve the redevelopment of contaminated property for renewable energy generation pursuant to P.L. 2009, c.302. The proposed amendments also clarify that application fees are charged at commitment and closing for applicants for financial assistance. Finally, the proposed amendments implement other technical revisions to clarify requirements under the program.

N.J.A.C. 19:31-9, Urban Transit Hub Tax Credit Program, sets forth the eligibility standards and program criteria for the Urban Transit Hub Tax Credit Program to provide capital investment and increased employment in targeted urban rail transit hubs to catalyze economic development in those transit hubs. The subchapter is proposed for readoption without amendments.

N.J.A.C. 19:31-10, Business Employment Incentive Program, sets forth the eligibility standards and program criteria for the approval of grants to businesses that expand employment in New Jersey. The proposed amendments revise the rules governing the Business Employment Incentive Program concerning prevailing wage and affirmative action requirements, N.J.A.C. 19:31-10.11, to conform provisions relating to receipt of payment of assistance to the provisions contained in P.L. 2007, c.245. The proposed amendments also correct a citation in the section.

N.J.A.C. 19:31-11, Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund, sets forth provisions for the special revolving loan and grant fund for the purpose of financing the removal of underground storage tanks. The proposed amendments and new rules implement statutory revisions to the Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund pursuant to P.L. 2009, c.134 and P.L. 2009, c.42.

Specifically, P.L. 2009, c.134 requires confirmation of financial assistance for eligible homeowners voluntarily closing or replacing non-leaking petroleum underground storage tanks and expands eligibility for financial assistance from the Fund for certain eligible project costs related to the replacement, closure or remediation of petroleum underground storage tanks. An eligible owner or operator of a non-leaking underground storage tank used to store heating oil for onsite consumption in a residential building may receive financial assistance for closing a heating oil tank or for voluntarily replacing the tank with an environmentally safe underground storage tank or an aboveground storage tank before a petroleum leak occurs. Under prior law, an eligible owner or operator had to expend his or her own funds to complete the work prior to applying for reimbursement from the EDA. The proposed amendments and new rules permit an eligible homeowner to apply for financial assistance prior to undertaking such a project and require the EDA to issue written confirmation regarding the homeowner's eligibility for reimbursement. In addition, the statutory revisions require the Department of Environmental Protection (DEP) to develop a cost guidance document to establish the maximum cost to be paid for eligible project costs for the closure or replacement of a petroleum underground storage tank used to store heating oil for onsite consumption in a residential building or a petroleum underground storage tank with a capacity of 2,000 gallons or less used to store heating oil for onsite consumption in a nonresidential building. The proposed amendments and new rules revise the present cap on reimbursement to eligible homeowners to be consistent with the guidance document.

The proposed amendments expand eligibility for financial assistance from the Fund to certain eligible owners and operators of petroleum underground storage tanks. First, the proposed amendments and new rules authorize financial assistance for eligible project costs to certain nonprofit organizations and to volunteer fire, ambulance, first aid, emergency, or rescue companies or squads which voluntarily close or replace non-leaking underground storage tanks

with a capacity of 2,000 gallons, or less, used to store heating oil for onsite consumption in a nonresidential building. The amount of reimbursement for eligible project costs would be consistent with the DEP cost guidance document. The proposed amendments and new rules also authorize financial assistance for eligible project costs for the same category of eligible owners and operators when they expend their own funds to conduct a remediation of a discharge from such a heating oil tank prior to filing an application for financial assistance. Previously, only eligible owners or operators of heating oil tanks for residential buildings and institutes of higher education may apply for financial assistance after conducting such a remediation. Also, the proposed amendments and new rules allow eligible owners or operators of heating oil tanks for residential buildings who are required to bear the costs of emergency remediation of a leaking petroleum underground storage tank undertaken by the DEP to apply for reimbursement of those costs.

Finally, the proposed amendments and new rules, pursuant to P.L. 2009, c.42, increase the maximum grant amount that may be made from the Fund to a qualified institution of higher education for the remediation of discharge from a petroleum underground storage tank from \$500,000 to \$1.5 million. The proposed amendments and new rules also clarify that application fees are charged at commitment and closing for applicants for financial assistance for tanks in non-residential buildings.

N.J.A.C. 19:31-12, Technology Business Tax Certificate Transfer Program, which sets forth the eligibility standards and program criteria for the Technology Business Tax Certificate Transfer Program to assist new or expanding emerging technology and biotechnology companies in New Jersey, is proposed for readoption without amendments.

N.J.A.C. 19:31-13, Energy Sales Tax Exemption Program, sets forth the eligibility standards and program criteria for the Energy Sales Tax Exemption Program to provide for an exemption of sales and use tax for retail sales of electricity and natural gas and their transport to a qualified business in a New Jersey urban enterprise zone for consumption in the zone, or a vertically integrated combination of qualified businesses manufacturing a single product within a single redevelopment area within an enterprise zone, that employs at least 250 people at least 50 percent of whom are directly employed in a manufacturing process. The subchapter is proposed for readoption without amendments.

N.J.A.C. 12A:31 New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises

N.J.A.C. 12A:31-1, New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises-Direct Loan Program, sets forth the eligibility standards and program criteria to implement a direct loan program for certain eligible businesses to use for working capital, contract financing or the acquisition of fixed assets, and is proposed for readoption without amendments.

N.J.A.C. 12A:31-2, New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises-Loan Guarantee Program, sets forth the eligibility standards and program criteria to implement a loan guarantee program for eligible businesses to

help those businesses acquire private sector financing that would not otherwise be eligible without a guarantor for the loan, and is proposed for readoption without amendments.

N.J.A.C. 12A:31-3, Reserved, is proposed for repeal as the subchapter is no longer needed.

As the Authority has provided a 60-day comment period in this notice proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The mission of the New Jersey Economic Development Authority is to strengthen New Jersey's economy by retaining and growing businesses through financial assistance, by renewing communities, and by promoting the State's strategic advantages to attract domestic and international businesses. Under the New Jersey Economic Development Authority Act, N.J.S.A. 34:1B-1 et seq., the Authority creates public/private partnerships to bridge financing gaps and to increase access to capital by the State's business community with an emphasis on small and mid-size businesses and not-for-profit organizations. The Authority supports entrepreneurial development through training and mentoring programs and undertakes real estate development projects important to the State's economic growth that will create new jobs and business opportunities and support community development and revitalization. The EDA anticipates that the proposed readoption of N.J.A.C. 19:30 and 31 and the proposed amendments will have a positive social impact by enabling it to continue to provide financial assistance in those instances where the general credit market will not, and further, to stimulate new employment opportunities through the financing of job creating enterprises, as well as continue in its current role as a real estate developer and redeveloper.

Economic Impact

The programs implemented by the Authority and resultant financial assistance have a positive impact on the State's economy. From its' inception in 1974, the EDA has provided over \$20.3 billion in financing assistance, leveraging more than \$43.0 billion in new business investment and supporting the creation of 304,657 estimated new, full-time jobs and 314,286 estimated construction jobs. The proposed readoption of N.J.A.C. 19:30 and 31 and the proposed amendments are intended to further the Authority's efforts to meet its statutory obligation to enhance economic development, and will have a positive economic impact throughout the State. The proposed amendments to N.J.A.C. 19:30-4 Payment of Prevailing Wages in Authority Projects, update the requirements for the payment of prevailing wages in construction contracts financed by the Authority, to clarify that the prevailing wage be paid to workers employed in the performance of any construction project receiving Authority financial assistance or undertaken to fulfill any condition of receiving EDA financial assistance. The Authority anticipates that the proposed amendments will not result in increased costs for businesses as the payment of prevailing wages is a requirement for undertaking any major construction project receiving public financial assistance. The proposed amendments to N.J.A.C. 19:30-6 Fees establish fees for the Economic Redevelopment and Growth (ERG) Grant Program which are commensurate with the considerable level of incentive grants and necessary to cover the Authority's extensive

administrative costs for the review of proposed redevelopment projects, fiscal impact analyses, and pledge and assignment of State incentive grants. In addition, the EDA has benchmarked the proposed fees against other State programs of similar purpose and structure which, in many instances, are higher and without caps. Finally, the proposed amendments to N.J.A.C. 19:31-11 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund, are intended to result in additional homeowners and not-for-profit and emergency services organizations to receive financial assistance for the replacement of non-leaking underground storage tanks as well as costs for emergency remediation of leaking tanks.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption with amendments are not subject to any Federal requirements or standards.

Jobs Impact

The Authority anticipates that its' programs, through the proposed readoption of N.J.A.C. 19:30 and 31, will continue to have a positive impact and result in job creation and retention throughout the State. In 2009, financing provided by the EDA served as a catalyst for over \$1.5 billion in new public-private investments in New Jersey that are expected to result in the creation of an estimated 7,500 additional permanent jobs and 14,200 construction jobs. This support also helped ensure the retention of approximately 17,760 existing jobs in the State. The proposed amendments at N.J.A.C. 19:31-6 enabling the Authority to continue providing assistance under the Main Street Business Assistance Program, will result in additional small and mid-size business guarantees, loan participations and line of credit guarantees to support existing and/or expanded operations and retain and/or create new jobs in New Jersey.

Agriculture Industry Impact

The rules proposed for readoption with amendments will have no impact on the agriculture industry of the State of New Jersey.

Regulatory Flexibility Statement

The rules proposed for readoption with amendments will not directly impact businesses as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. Generally, businesses eligible for Authority financial assistance are required to comply with the EDA's standard, on-line application process and regular compliance guidelines however, any costs due to reporting, recordkeeping, or other compliance requirements on qualifying small businesses are fully-offset by the amount of financial assistance received. The proposed amendments to N.J.A.C. 19:30-3 Affirmative Action in Authority Financed Construction Projects, are intended to streamline reporting and compliance requirements and reduce paperwork and related costs for businesses receiving Authority financial assistance, including small businesses. The proposed amendments at N.J.A.C. 19:30-6 establishing fees for the Economic Redevelopment and Growth (ERG) Grant Program will not impact small businesses, as the program provides incentive grants to major developers, businesses or owners of qualifying redevelopment projects. In addition, the

proposed amendments clarifying existing fees for the Small Business Fund and for funding provided under N.J.S.A. 34:1B-47 et seq. pertaining to the New Jersey Development Authority for Small Businesses, Minorities' and Women's Enterprises are significantly reduced from the Authority's standard application commitment and closing fees. The proposed amendments to N.J.A.C. 19:31-8 Hazardous Discharge Site Remediation Fund (HDSRF), enabling licensed child care centers to qualify for funding under the HDSRF, will not result in increased reporting, recordkeeping or other compliance requirements, as any costs will be fully-offset by the related financial assistance available.

Smart Growth Impact

The rules proposed for readoption with amendments may achieve smart growth and implement the State Development and Redevelopment Plan where assistance is provided to businesses in urban and older suburban areas.

Housing Affordability Impact

The rules proposed for readoption with amendments will not impact the amount or cost of housing units, including multi-family rental housing and for sale housing in the State. The proposed amendments revise certain subchapters implementing the Authority's administrative rules and financial assistance programs.

Smart Growth Development Impact

The rules proposed for readoption with amendments will not impact the number of housing units or result in any increase or decrease in the average cost of housing in Planning Areas 1 or 2 of the State Development and Redevelopment Plan. The proposed amendments revise certain subchapters implementing the Authority's administrative rules and financial assistance programs.

Full text of the readoption follows (additions indicated in bold-face **thus**; deletions indicated in brackets [thus]):

CHAPTER 30 ADMINISTRATIVE RULES

SUBCHAPTER 1. GENERAL PROVISIONS (No change.)

SUBCHAPTER 2. DISQUALIFICATION/DEBARMENT/CONFLICT OF INTEREST

19:30-2.1 Definitions

(a) For the purposes of this subchapter, the following words and terms shall have the following meanings.

...

“Disqualification” means an exclusion from receiving Authority financial assistance or from being a tenant in an Authority-financed project **or Authority-owned project**.

“Ethics Liaison Officer” means the Ethics Liaison Officer of the New Jersey Economic Development Authority.

19:30-2.2 Causes for disqualification/debarment of persons

(a) The Authority may decline to give financial assistance, or approval as a tenant in any Authority-financed project **or Authority-owned project**, to any person, or may debar a person from Authority project contracting for any of the following causes:

1. – 10. (No change.)

11. Violation of any of the following prohibitions on vendor activities representing a conflict of interest, or failure to report a solicitation as set forth in (a)11ii below:

i. No person shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any Authority officer or employee or special Authority officer or employee, as defined by N.J.S.A. 52:13D-13b and e, with which such person transacts or offers or proposes to transact business, or to any member of the immediate family as defined by N.J.S.A. 52:13D-13i, of any such officer or employee, or partnership, firm, or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g.

ii. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any Authority officer or employee or special Authority officer or employee from any person shall be reported in writing by the person to the Attorney General and the [Executive Commission on Ethical Standards] **Ethics Liaison Officer**.

iii. No person may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such person to, any Authority officer or employee or special Authority officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to the Authority, or with any person, firm or entity with which he or she is employed or associated or in which he or she has an interest within the meaning of N.J.S.A. 52:13D-13g. Any relationships subject to this subsection shall be reported in writing to the [Executive Commission on Ethical Standards] **Authority Ethics Liaison Officer and the State Ethics Commission**, which may grant a waiver of this restriction upon application of the Authority officer or employee or special Authority officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.

iv. – v. (No change.)

(b) The provisions in (a)11 above shall not be construed to prohibit an Authority officer or employee or special Authority officer or employee from receiving gifts from or contracting with persons under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the [Executive Commission on Ethical Standards] **State Ethics Commission** may promulgate.

19:30-2.3 through 19:30-2.7 (No change.)

SUBCHAPTER 3. AFFIRMATIVE ACTION IN AUTHORITY-FINANCED CONSTRUCTION PROJECTS

19:30-3.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

“Affirmative action” or “AA,” whether used separately or in combination with other words or phrases (including, but not limited to, “program,” “equal employment opportunity” and “EEO/AA”), means good faith efforts taken to ensure equal opportunity employment for women and minority workers consistent with the New Jersey Department of Treasury Equal Employment Opportunity and Affirmative Action regulations, set forth at N.J.A.C. 17:27, but does not include employment quotas, except where otherwise permitted and appropriate under applicable law.

“Authority” for the purposes of this subchapter means the Internal Process Management unit in the New Jersey Economic Development Authority.

“Authority financial assistance” means any loan, loan guarantee, grant, incentive, tax exemption or other financial assistance that is approved, funded, authorized, administered or provided by the Authority to any entity and is provided before, during or after completion of a project, including but not limited to all Authority financial assistance received by the entity pursuant to the “Business Employment Incentive Program Act,” P.L. 1996, c. 26 (C.34:1B-124 et seq.) that enables the entity to engage in a construction contract, but this subchapter shall not be construed as requiring affirmative action for construction commencing more than two years after an entity has executed with the Authority a commitment letter regarding Authority financial assistance and the first payment or other provision of the assistance is received.

“AA Compliance Officer” means the officer or employee designated by the Authority to monitor affirmative action in Authority [funded] **financed projects.**

“Construction contract” means any contract, subcontract, or agreement, whether written or oral, for construction, reconstruction, demolition, alteration, repair work, maintenance work, or construction related to installation of equipment, undertaken in connection with [a project receiving] Authority **financial assistance or any of its projects, those projects which it undertakes pursuant to P.L. 2002, c.43 or undertaken to fulfill any condition of receiving Authority **financial** assistance and paid for in whole or in part with funds received through**

Authority **financial assistance, including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance, unless specifically exempted by N.J.A.C. 19:30-3.4.**

“Construction project” or “**project**” means [the construction, reconstruction, demolition, alteration, repair work, maintenance work, or construction related to installation of equipment that is subject of a construction project] **a project that has received final approval from the Authority.**

“Contractor” means any party who enters into a construction contract with the project owner/applicant, or any party to whom funds will be disbursed for payment of construction work, including any subcontractor of the contractor.

“Entity” means “**project/owner/applicant**” as defined below and/or “**landlord of the entity receiving Authority financial assistance**” pursuant to N.J.A.C. 19:30-3.4(b).

“Minority worker” means a worker who is Black, Hispanic, Asian, or American Indian as defined by the New Jersey Department of Treasury in N.J.A.C. 17:27-2.1 as follows:

1. Black, not of Hispanic Origin means persons having origins in any of the [B] black racial groups of Africa.

2. – 4. (No change.)

“**Monitoring**” means **Authority review of reports and forms required under this chapter as well as periodic meetings and site visits conducted by the Authority.**

[“Office of Affirmative Action” means the unit at the Authority responsible for oversight of the Affirmative Action program, compliance and monitoring in Authority funded projects.]

“**Prime Contractor**” is the **general contractor or construction manager that is designated by the project owner/applicant to be the contractor that is primarily responsible for submitting the required report forms to the Authority pursuant to N.J.A.C. 19:30-3.7.**

“Project owner/applicant” means the entity which or individual who has applied for, or is the recipient of, **or will be the recipient of Authority financial assistance.**

...

19:30-3.2 Affirmative Action program for recipients of Authority financial assistance

(a) **The Authority will maintain and administer an Affirmative Action Program for the hiring of minority and women workers employed in the performance of construction contracts undertaken in connection with any project that receives Authority financial assistance or undertaken to fulfill any condition of receiving Authority financial assistance**

including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance.

(b) These rules prescribe procedures designed to minimize unproductive administrative paperwork, red-tape and delays.

(c) A summary of the Authority's compliance requirements concerning affirmative action and all corresponding report forms and guidance documents can be found on the Authority's Internet webpage at: www.njeda.com/affirmativeaction.

19:30-3[.2] .3 Application of affirmative action regulations

(a) Every contractor or subcontractor involved in a construction contract for a project that has received Authority financial assistance or for a project undertaken to fulfill any condition of receiving Authority financial assistance, including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance is required to undertake a program that is designed to employ minority and women workers in accordance with the hiring goals established by the Office of Affirmative Action of Contract Compliance and Equal Opportunity in Public Contracts, New Jersey Department of Treasury unless specifically exempted by N.J.A.C. 19:30-3.4 below.

(b) The project owner/applicant shall be responsible for the performance of its contractors and subcontractors under this subchapter.

19:30-3.4 Exemptions of Authority affirmative action regulations

(a) The performance of construction contracts undertaken in connection with any project that receives Authority financial assistance or undertaken to fulfill any condition of receiving Authority financial assistance including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance, are subject to the requirements of this subchapter, unless the work being performed under the contract is (1) performed on a facility owned by a landlord of the entity receiving the Authority financial assistance and (2) the landlord is a party to the construction contract(s) and (3) less than 55 percent of the facility is leased by the entity at the time of the construction contract(s) and under any agreement to subsequently lease the facility.

(b) This subchapter shall not apply to construction commencing more than two years after an entity has executed with the Authority a commitment letter regarding Authority financial assistance and the first payment or other provision of the assistance is received.

19:30-3.5 Construction contracts

(a) The project owner/applicant and prime contractor shall resolve any questions regarding this subchapter with the Authority prior to the execution of any construction

contracts or any construction contracts undertaken to fulfill any condition of receiving Authority financial assistance including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance.

(b) Construction projects that are undertaken to otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance and therefore do not receive any Authority financial assistance or other provision of the assistance until after the construction project is complete (including but not limited to Business Employment Incentive Program and Business Retention and Relocation Assistance Grant Program) are exempt from the retainage provisions of N.J.A.C. 19:30 3.5(c)2 below.

[(a)] (c) Every construction contract must require that:

1. The NJEDA Addendum to Construction Contract, which is provided by the Authority as part of its application for financial assistance and also available at www.njeda.com/affirmativeaction must be part of all construction contracts and must be signed by the project owner/applicant, prime contractor and subcontractor (all tiers);

[1.] 2. Unless specifically exempted by N.J.A.C. 19:30-3.4 or 3.5(b), ten percent of [each] every disbursement for each construction contract in connection with the construction [of the] project shall be retained by the Project Owner/Applicant, Agent, [or] Trustee or Lender until [the Authority's Affirmative Action Officer gives written notice that the amount may be released;] fifty percent completion of the contract. Upon notification to the AA Compliance Officer that a contract is fifty percent complete and confirmation from the AA Compliance Officer that the project is in substantial compliance with this subchapter, five percent of every disbursement for each construction contract must be retained. Upon approximately ninety percent completion of the construction contract and receipt of an Authority Affirmative Action Completion Certificate that is acceptable to the Authority, the Authority will notify the project owner/applicant that the remaining retainage may be released.

[2.] 3. The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor or subcontractor will [take affirmative action to] ensure that equal employment opportunity is afforded to such applicants [are recruited and employed,] in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality, or sex. Such [action] equal employment opportunity shall include, but not be limited, to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment, advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship;

4. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Authority setting forth provisions of this nondiscrimination clause;

[3.] **5.** The contractor **or subcontractor**, where applicable, will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, **gender identity or expression, disability, nationality** or sex;

[4.] **6.** The contractor or subcontractor, where applicable, will send to each labor union or representative [or] **of** workers with which it has a collective bargaining agreement or other contract or understanding, [a notice,] **a referral letter**, to be provided by the [agency contracting officer] **Authority** advising the labor union or workers' representative of the contractor's commitments under this [act] **chapter** and shall post copies of the [notice] **referral letters** in conspicuous places available to employees and applicants for employment;

[5.] **7.** The contractor or subcontractor agrees to make good faith efforts to employ minority and women workers in each construction trade consistent with:

[i.] the applicable county employment goals established in accordance with N.J.A.C. 17:27-5.2] **7.2**; [or

ii. A binding determination of the applicable county employment goals determined by the Department of the Treasury, pursuant to N.J.A.C. 17:27-5;] **provided, however, that the Authority may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures prescribed in N.J.A.C. 19:30-3.6, as long as the Authority is satisfied that the contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the Authority, that its percentage of active "card-carrying" members who are minority and women workers is equal to or greater than the applicable employment goals established in accordance with N.J.A.C. 17:27-7.2;**

[6.] **8.** The contractor **that is** awarded a construction contract [by the Authority] or the project owner/applicant must submit an initial project workforce report. Each initial workforce report shall identify the estimated **workforce** requirements, by trade or craft, of the construction contractors and subcontractors for the duration of the construction contract;

[7.] **9.** The contractor must **maintain and** submit [weekly] certified payrolls to the Authority [on a weekly basis] **pursuant to N.J.A.C. 19:30-4.4 and the New Jersey prevailing wage regulations set forth at N.J.A.C. 12:60-5.1(c);**

[8.] **10.** The contractor must submit [within seven business days of the following month] a monthly project workforce report **to the Authority within 15 business days after the end of the reporting month; and**

[9.] **11.** The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, **gender identity or expression, disability, nationality** or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices[;].

[10. The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions;

11. The contractor must submit an Affirmative Action Certificate to the Authority as required by the application for financial assistance;

12. The Addendum to Construction Contract, which is provided by the Authority, with its application for financial assistance must be part of all construction contracts and must be signed by the contractor; and

13. The contractor shall comply with any applicable rules promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time.]

(d) In the event a construction contract has been executed between a project owner/applicant or landlord not exempted by N.J.A.C. 19:30-3.4 and the contractor or subcontractor before the project owner/applicant applied to and/or received final approval, the Authority will require that any executed construction contract(s) be amended to include the NJEDA Addendum to Construction Contract, on a go-forward basis or incorporate such addendum by side letter.

19:30-3[.3] .6 [Compliance and determining good faith] Mandatory language for construction contracts receiving Authority financial assistance; Good Faith

(a) A contractor will be considered in compliance with this subchapter only if the contractor has made good faith efforts to meet the minority and women hiring goals for each trade or craft employed on the project. The goals are expressed as percentages of the total hours worked on the project. The goals are established by the Department of the Treasury, **Division of Public Contracts Equal Employment Opportunity Compliance and can be found at the Division's website at: www.state.nj.us/treasury/contract_compliance/**. The contractor must take the following steps in this effort:

1. When hiring or scheduling workers in each construction trade, the contractor or subcontractor shall make good faith efforts to employ minority and women workers in each construction trade consistent with the applicable employment goal prescribed by N.J.A.C. 17:27-7[.3] .2; , provided, however, that the [Office of Affirmative Action] **Authority** may, in its discretion, exempt a contractor or subcontractor from compliance with the good faith procedures

prescribed by this paragraph and (a)2 below, as long as the [Office of Affirmative Action] **Authority** is satisfied that the contractor or subcontractor is employing workers provided by a union which provides evidence, in accordance with standards prescribed by the [Office of Affirmative Action] **Authority**, that its percentage of active “card carrying” members who are minority and women workers is equal to or greater than the applicable employment goal established in accordance with N.J.A.C. 17:27-[73] **7.3**. A good faith effort by the contractor or subcontractor shall include compliance with the following procedures;

i. If the contractor or subcontractor has a referral agreement or arrangement with a union for a construction trade, the contractor or subcontractor shall, within three business days of the contract award, seek assurances from the union that it will cooperate with the contractor or subcontractor as it fulfills its affirmative action obligations under this contract and in accordance with the rules promulgated by the Treasurer, pursuant to N.J.S.A. 10:5-31 et seq. as supplemented and amended from time to time. If the contractor or subcontractor is unable to obtain said assurances from the construction trade union at least five business days prior to commencement of construction work, the contractor or subcontractor shall attempt to hire or schedule minority and women workers directly, consistent with the applicable employment goal. If the contractor’s or subcontractor’s prior experience with a construction trade union, regardless of whether the union has provided said assurances, indicates a significant possibility that the trade union will not refer sufficient minority and women workers consistent with the applicable employment goal, the contractor or subcontractor shall be prepared to hire or schedule minority and women workers directly, consistent with the applicable employment goal, by complying with the hiring or scheduling procedures prescribed under (a)2 below; and the contractor or subcontractor shall take said action immediately if it determines or is so notified by the [Office of Affirmative Action] **Authority** that the union is not referring minority and women workers consistent with the applicable employment goal.

2. (No change.)

i. Notify the AA **Compliance** Officer, [the Office of Affirmative Action,] and minority and women referral organizations listed by the [Office of Affirmative Action] **Department of the Treasury – Division of Public Contracts Equal Employment Opportunity Compliance** pursuant to N.J.A.C. 17:27-5.3, of its workforce needs, and request referral of minority and women workers;

ii. – v. (No change.)

3. The contractor or subcontractor shall adhere to the following procedure when minority and women workers apply or are referred to the contractor or subcontractor:

i. If said individuals have never previously received any document or certification signifying a level of qualification lower than that required in order to perform the work of the construction trade, the contractor or subcontractor shall determine the qualifications of such individuals and if the contractor's or subcontractor's workforce in each construction trade is not consistent with the applicable employment goal, it shall hire or schedule those individuals who satisfy appropriate qualification standards. However, a contractor or subcontractor shall determine that the

individual at least possesses the requisite skills, and experience as recognized by a union, apprentice program or a referral agency, provided the referral agency is acceptable to the [Office of Affirmative Action] **Authority**. If necessary, the contractor or subcontractor shall hire or schedule minority and women workers who qualify as trainees pursuant to these rules. All of these requirements, however, are limited by the provisions of (a)4 below.

ii. (No change.)

iii. If, for any reason, a contractor or subcontractor determines that a minority individual or a woman is not qualified or if the individual qualifies as an advanced trainee or apprentice, the contractor or subcontractor shall inform the individual in writing of the reasons for the determination, maintain a copy of the determination in its files, and send a copy to the AA **Compliance Officer** [and to the Office of Affirmative Action].

iv. The contractor or subcontractor shall keep a complete and accurate record of all requests made for the referral of workers in any trade covered by the contract, on forms made available by the [Office of Affirmative Action] **Authority** and submitted promptly to the [Office of Affirmative Action] **AA Compliance Officer** upon request.

4. Nothing contained in (a)2 above shall preclude the contractor or subcontractor from complying with the union hiring hall or apprenticeship policies in any applicable collective bargaining agreement or union hiring hall arrangement, and, where required by custom or agreement, it shall send journeymen and trainees to the union for referral, or to the apprenticeship program for admission, pursuant to such agreement or arrangement. However, where the practices of a union or apprenticeship program will result in the exclusion of minorities and women or the failure to refer minorities and women consistent with the county employment goal, the contractor or subcontractor shall consider for employment persons referred pursuant to (a)2 above without regard to such agreement or arrangement; provided further, however, that the contractor or subcontractor shall not be required to employ women and minority advanced trainees and trainees in numbers which result in the employment of advanced trainees and trainees as a percentage of the total workforce for the construction trade, which percentage significantly exceeds the apprentice to journey workers ratio specified in the applicable collective bargaining agreement, or in the absence of a collective bargaining agreement, exceeds the ratio established by practice in the area for said construction trade. Also, in implementing the procedures of (a)2 above, the contractor or subcontractor shall, where applicable, employ minority and women workers residing within the geographical jurisdiction of the union. After notification of award, but prior to signing a construction contract, the contractor shall submit to the [Office of Affirmative Action] **Authority** an initial **EDA** project workforce report [(Form AA 2010) provided by the [Office of Affirmative Action] **Authority** for distribution to and completion by the contractor, in accordance with N.J.A.C. [17:27-7] **19:30-3.7**. The contractor shall also submit a copy of the Monthly Project Workforce Report once a month thereafter for the duration of this contract to the [Office of Affirmative Action] **Authority**. The contractor agrees to [cooperate with the Office of Affirmative Action in the payment of budgeted funds, as is necessary, for on the job and/or off the job programs for outreach and training of minorities and women, to] notify the [Office of Affirmative Action] **Authority** and at least two minority referral organizations of the contractor's labor needs, and to

request referrals of minority and [female] **women** workers. The contractor shall leave standing requests for referrals of minority and [female] **women** workers with the local unions, the State Employment Service, New Jersey Bureau of Apprenticeship and Training, and at least two referral sources designated from time to time by the Authority until such time as the contractor has met its hiring goals.

5. In conforming with the applicable employment goals, the contractor or subcontractor shall review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, **gender identity or expression, disability, nationality** or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

(b) When compliance challenges are initiated pursuant to N.J.A.C. [17:27-10] **19:30-3.8**, the [Office of Affirmative Action] **Authority** shall consider the following factors in its determination of whether a contractor or subcontractor has acted in good faith:

1. – 7. (No change.)

19:30-3[.4] .7 Monitoring by the Authority

(a) The Authority will [maintain an Affirmative Action Program,] be responsible for monitoring compliance with this chapter. The Authority staff [of which] will be responsible to review contractor performance for compliance with this subchapter. [Each] **The prime contractor, as designated by the project owner/applicant or landlord not exempted by N.J.A.C. 19:30-3.4**, will be required to submit to the [Affirmative Action Program] **Authority**:

[1. An Affirmative Action Certificate;

2. On a weekly basis, certified payrolls records, identifying the name, address, social security number, race, hourly wage rate, gross earnings of, and number of hours worked in each craft or trade by all construction workers;]

1. An NJEDA Addendum to Construction Contract that has been signed by each contractor and subcontractor and, where applicable, the project owner/applicant;

2. An EDA initial project workforce report;

3. [On a monthly basis, a] **An EDA monthly project workforce report;**

4. At **approximately** 90 percent completion of [their] **a construction** contract, a **NJEDA Affirmative Action** completion certificate. **The required forms are available for download at: www.njeda.com/affirmativeaction.**

(b) The affirmative action compliance officer will make field inspections of project sites, and may perform audits of records relating to construction activities on the **construction** project.

(c) **Both** [The] the project owner/applicant and the **prime** contractor shall [identify] **designate** an [officer or] employee **from their respective organizations** who will coordinate **with the [Affirmative Action Officer] Authority** and act as liaison with the Authority's Affirmative Action **Compliance** Officer.

[(d) The project owner/applicant **or landlord not exempted by N.J.A.C. 19:30-3.4** and contractor shall resolve any questions regarding this subchapter with the Authority's Affirmative Action Officer prior to the execution of any construction contracts in connection with a project receiving Authority assistance.]

[(e)] (d) The Authority may prioritize its monitoring of construction **projects and** contracts based on available staff, cost, nature, timing and extent of the work to be performed under the contract, the number of workers needed to perform the contract, and any other relevant factors.

[(f)] (e) The [AA Officer] **AA Compliance Officer** may assist contractors in the use of outreach, referral and training programs for minority and women workers.

[(g) Contractors shall make use of established public and private agencies, such as the New Jersey State Employment Service, WIBs (Workforce Investment Boards), Urban League, community action agencies, faith-based organizations, community-based organizations, including, but not limited to, urban women centers, Hispanic resource centers and displaced homemaker centers, county vocational schools and Workforce Investment Act (WIA) One Stop Career Centers, in order to facilitate the recruitment, referral and training of women and minorities for all employment positions.

(h) The Office of Affirmative Action shall designate approved minority and women referral, training and outreach agencies for each region. Contractors and subcontractors shall list, as is appropriate, employment opportunities with the minority and women referral agency or agencies designated for its region.

(i) Contractors and subcontractors shall satisfy their minority and women worker outreach and training obligations by complying with the requirements of N.J.A.C. 17:27-5 and 7.]

19:30-3[.6] .8 Failure to comply

(a) In the event the Authority determines that a contractor is not in compliance with this subchapter, the Authority will notify the contractor, the project owner/applicant, the construction lender, and the agent or trustee, in writing, of the steps the contractors should take to be considered in compliance. The Authority's actions may include:

1. The [Office of Affirmative Action] **Authority** on its own initiative or in response to [an allegation from] **monitoring conducted by an AA Compliance Officer**, or in response to a written complaint or allegation from an interested party, shall investigate any complaint or allegation of violation of this chapter [or of an applicable affirmative action plan]. If the [Office of Affirmative Action or AA Officer] **Authority** determines there is a substantial probability that

a violation is occurring, it may issue a written alert notice to a contractor or subcontractor **and/or project owner/applicant if applicable**. The alert notice shall explain in sufficient detail the facts of the alleged violation.

2. If the alleged violation explained in the alert notice has not been corrected to the satisfaction of the [Office of Affirmative Action or AA Officer] **Authority** within [three] **seven** business days after it is received by the contractor or subcontractor, [said Office of Affirmative Action or AA Officer] **the Authority** shall issue a violation notice to said contractor **or subcontractor and/or project owner/applicant if applicable**. Said violation notice shall explain in sufficient detail the facts of the continuing violation.

3. [The Office of Affirmative Action,] **The Authority**, acting on its own initiative or in response to a written complaint or allegation from an interested party, shall investigate any written complaint or allegation of a violation. If the [Office of Affirmative Action] **Authority staff investigating the complaint or allegation** determines there is a substantial probability that a violation is occurring, [it may issue an advisement letter. The advisement letter shall explain in sufficient detail the facts of the alleged violation.] **the Authority shall issue a violation notice to said contractor or subcontractor and/or project owner/applicant if applicable. Said violation notice shall explain in sufficient detail the facts of the continuing violation.**

[i. If the alleged Office of Affirmative Action violation explained in the letter of advisement has not been corrected to the satisfaction of the Office of Affirmative Action, the Office of Affirmative Action may conduct a review or issue a show cause letter to said contractor or refer the matter to the Attorney General's Office for further processing. Said show cause letter shall explain in sufficient detail the facts of the continuing violation.

ii. Within 10 business days of receiving a show cause letter, the contractor shall submit a written statement explaining why it should not be referred to the Attorney General's Office for further resolution. If the Office of Affirmative Action determines that the contractor has not adequately explained why it is not in violation or if the Office of Affirmative Action determines that the violation is continuing to occur, then it shall refer said contractor to the Attorney General's Office for further enforcement consistent with N.J.S.A. 10:5-31 et seq.]

[5.] **4.** [After issuing a] **The** notice of violation[, the Office of Affirmative Action or AA Officer] shall notify the alleged violator that it shall submit within seven business days, a written statement explaining why it is not in violation of this chapter [or the affirmative action plan or] **and** an explanation of how it will correct any such violation. If the [Office of Affirmative Action or AA Office] **Authority** determines that the contractor or subcontractor has not adequately explained why it is not in violation or if the [Office of Affirmative Action or AA Officer] **Authority** determines that the **alleged** violation is continuing to occur, then it shall conduct an investigatory conference to determine whether there is a violation and/or if corrective measures must be taken. A conference may also be conducted to discuss and resolve issues before imposing financial penalties in accordance with N.J.S.A. 10:5-35 and 36. [Such] **The** investigatory conference shall be conducted within 30 business days of the [contractor's and/or subcontractor's] **alleged violator's** submission of its written statement **in response to the violation notice**. The [Office of Affirmative Action] **Authority** may conduct interviews and

request from appropriate parties the submission of additional information as is considered necessary to determine whether the alleged violation has occurred.

5. A **technical assistance** meeting with, [or technical assistance provided by,] the [Office of Affirmative Action] **Authority** may be requested by a contractor and/or subcontractor at any time, whether or not a violation has been alleged.

(b) If the contractor fails to comply or otherwise respond after receipt of the notice in (a) above, **and/or when the Authority determines that a contractor, subcontractor or project owner/applicant or landlord not exempted by N.J.A.C. 19:30-3.4 is in violation of this chapter**, the Authority may take action against the contractor, **subcontractor or project owner/applicant** [including] **by ordering or taking part in any or all of the remedial action in (b)1 through 5 below:**

[1. Direct the project owner/applicant, agent or trustee **or lender** to withhold 10 percent of any disbursements to that contractor of bond proceeds or construction funds obtained with Authority assistance;]

[2.] **1.** Institute debarment proceedings to preclude a contractor from contracting on Authority projects (see N.J.A.C. 19:30-2 Disqualification/Debarment/Conflict of Interest); and

[3.] **2.** Refer reported violations to the Attorney General for enforcement action under the "Law Against Discrimination".

[(c) As designated authority, when the Office of Affirmative Action determines that a contractor or subcontractor is in violation of this chapter, it may enforce the obligations of N.J.S.A. 10:5-31 et seq. as implemented by this chapter and the requirement of the affirmative action plan by ordering or taking part in any or all of the remedial actions in (c)1 through 6 below.]

[1.] **3.** Subject the contractor, [or] subcontractor **or project owner/applicant** to a fine of up to \$1,000 for each violation for each day during which the violation continues, said fine to be collected in a summary manner pursuant to the Penalties Enforcement Law of 1999 (N.J.S.A. 2A:58-10 et seq.);

[2.] **4.** **Direct the project owner/applicant/agent/trustee or lender to [W]withhold part or the entire contract or subcontract payments then due and owing;**

[3. Debar the contractor from all public contracts for a period of up to five years and/or until the contractor complies with the required obligations or agrees to adhere to a compliance schedule approved by the Office of Affirmative Action Authority; provided, however, that a debarment may only be ordered after a hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1;

4. Terminate or suspend the construction contract; provided, however, that a contract termination or suspension may only be ordered after the Treasurer or his or her designee, who is

not a member of the Office of Affirmative Action, holds a hearing for the contractor or subcontractor, and the Treasurer, or said designee, determines that a contract termination or suspension would be appropriate;

5. Refer the record of violation determination proceeding to the Attorney General or his or her designee for enforcement action under the “Law Against Discrimination”; and/or

6. The Director of the Lending Services-Authority’s Internal Process Management Division-Office of Affirmative Action, as the designee of the Treasurer, may enforce in a court of law the provisions of N.J.S.A. 10:5-31 et seq., or join in or assist any enforcement proceeding initiated by any aggrieved person under said Act. The Office of Affirmative Action acting under delegated authority also has said enforcement authority except with respect to other public agencies.]

5. Refer the determination of violation proceeding to the Authority unit that administers the Authority financial assistance to determine if the commitment to, or offer of, Authority financial assistance should be withdrawn from the project owner/applicant or terminated and/or repaid.

19:30-3[.7] .9 Chief Executive Officer to enforce regulations

The Chief Executive Officer may require applicants for [a]Authority **financial** assistance to make such additional representations to the Authority and to enter into such covenants and agreements with the Authority as are necessary to carry out the purposes of this subchapter, **including requiring such applicant to require by contract any landlord not exempted by N.J.A.C. 19:30-3.4 to comply with this subchapter.** The Chief Executive Officer shall take such steps as are necessary to ensure compliance with this subchapter.

SUBCHAPTER 4. PAYMENT OF PREVAILING WAGES IN AUTHORITY PROJECTS

19:30-4.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Authority financial assistance” means any loan, loan guarantee, grant, incentive, tax exemption or other financial assistance that is approved, funded, authorized, administered or provided by the Authority to any entity and is provided before, during or after completion of a project, including but not limited to, all Authority financial assistance received by the entity pursuant to the “Business Employment Incentive Program Act,” P.L. 199, c.26 (N.J.S.A. 34:1B-124 et seq.) that enables the entity to engage in a construction contract.

“Construction contract” means any contract, subcontract, or agreement, whether written or oral, for construction, reconstruction, demolition, alteration, repair work, maintenance work, or construction related to installation of equipment, undertaken in connection with a [project that

has received final approval for] Authority financial assistance or any of its projects, those projects which it undertakes pursuant to P.L. 2002, c.43 or undertaken to fulfill any condition of receiving Authority financial assistance and paid for in whole or in part with funds received through Authority financial assistance, including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance unless specifically exempted by N.J.A.C. 19:30-4.2.

“Construction project” or “project” means a project that has received final approval from the Authority.

“Contractor” means any party who enters into a construction contract with the project owner/applicant, or any party to whom funds will be disbursed for payment of construction work, including any subcontractor of the contractor.

“Prevailing wage rate” means the prevailing wage rate established by the Commissioner of New Jersey Department of Labor and Workforce Development from time to time in accordance with the provisions of N.J.S.A. 34:11-56[:30] .25 et seq. for the locality in which the project is located.

19:30-4.2 Payments of prevailing wages in projects receiving assistance

[Recipients of assistance from the Authority for Projects, as defined in N.J.S.A. 34:1B-3, as a condition for receipt of such assistance, shall in all construction contracts in the amount of \$2,000 or more, require that wages paid to workers employed in the performance of the construction contracts be not less than the prevailing wage rate for such work.]

(a) Not less than the prevailing wage rate shall be paid to workers employed in the performance of any construction contract, including contracts for millwork fabrication, undertaken in connection with Authority financial assistance or any of its projects, those projects which it undertakes pursuant to P.L. 2002, c. 43 (N.J.S.A. 52:27BBB-1 et seq.), or undertaken to fulfill any condition of receiving Authority financial assistance, including the performance of any contract to construct, renovate, or otherwise prepare a facility for operations which are necessary for the receipt of Authority financial assistance, unless the work performed under the contract is (1) performed on a facility owned by a landlord of the entity receiving the assistance and (2) the landlord is a party to a construction contract(s) and (3) less than 55% of the facility is leased by the entity at the time of the contract and under any agreement to subsequently lease the facility.

(b) In accordance with P.L. 2007, c.245 (N.J.S.A. 34:1B-5.1), nothing in this subchapter shall be construed as requiring the payment of prevailing wage for construction commencing more than two years after an entity has executed with the Authority a commitment letter regarding Authority financial assistance and the first payment or other provision of the assistance is received.

(c) In accordance with P.L. 1974, c.80 (N.J.S.A.34:1B-5.1), any construction contract in an amount of less than \$2,000 is exempt from the requirements of this subchapter.

19:30-4.3 Assurances required

(a) Recipients of **Authority financial** assistance for construction contracts shall deliver a NJEDA affirmative action completion certificate to the Authority (or designated agent for the Authority), upon completion of the project, signed by an authorized representative of the recipient, representing and confirming that:

1. It has complied and has caused its **landlord, if applicable**, contractors and subcontractors to comply with the requirements of N.J.A.C. 19:30-4.2; [and attaching true copies of all such construction contracts with contractors and subcontractors;] or

2. It has not entered into any construction contracts subject to the provisions of N.J.A.C. 19:30-4.2(a) **and its landlord has not entered in any contracts pursuant to N.J.A.C. 19:30-4.2(a).**

19:30-4.4 Contract provisions required

(a) [Each recipient of assistance from the Authority shall in all] **All** construction contracts in the amount of \$2,000 or more **shall** require that:

1. Contractors and subcontractors permit the Authority, or its designated agent, complete access to payroll records and other records for purposes of determining compliance with the provisions of this subchapter[.];

2. Contractors and subcontractors keep accurate records showing the name, craft or trade, and actual hourly rate of wages paid to each worker employed in connection with the performance of the contract and to preserve such records for two years from the completion date of the project[.]; **and**

3. Prime contractors maintain and submit certified payrolls to the Authority pursuant to the New Jersey prevailing wage regulations, set forth at N.J.A.C. 12:60-5.1.

19:30-4.5 Violation

A violation of the provisions of this subchapter shall be deemed a violation of N.J.S.A. 34:11-56.25 et seq. and N.J.A.C. 12:60-5.1; **and, the Internal Process Management unit in the EDA shall refer the determination of violation proceeding to the Authority unit that administers the Authority financial assistance to determine if the commitment to, or offer of, Authority financial assistance should be withdrawn, terminated and/or repaid.**

SUBCHAPTER 5. TARGETING OF AUTHORITY ASSISTANCE (No change.)

SUBCHAPTER 6. FEES

19:30-6.1 Application fee

(a) Except as set forth in (b) and (c) below, a non-refundable fee of \$1,000 shall accompany every application for Authority assistance, except for:

1. an application under the Edison Innovation Growth Fund, for which the fee is .25 percent of the loan amount, not to exceed \$2,500;

2. an application for a State or local incentive grant under the Economic Redevelopment and Growth (ERG) Grant Program, for which the fee is \$5,000; and for a State or local incentive grant, the full amount of direct costs of any analysis by a third party retained by the Authority, if the Authority deems such retention to be necessary, shall be paid; and

3. an application for assistance under the Small Business Fund and N.J.S.A. 34:1B-47 et seq., for which the fee is \$300.

The non-refundable application fee of \$1,000 for a guarantee of a bond issued by the Authority is in addition to the bond application fee.

(b) – (c) (No change.)

19:30-6.2 Commitment fees

(a) – (b) (No change.)

(c) A non-refundable fee of .5 percent of the maximum aggregate amount of the incentive grant award not to exceed \$300,000 is charged with the acceptance by an applicant of a State incentive grant and upon approval of the Local Finance Board in the Division of Local Government Services in the Department of Community Affairs of a local incentive grant under the Economic Redevelopment and Growth (ERG) Grant Program.

(d) A non-refundable fee of .5 percent of the loan or guarantee amount is charged with the acceptance by an applicant of a direct loan or guarantee commitment under the Small Business Fund.

(e) A non-refundable fee of one-half of one percent of the total amount of a direct loan or \$100, whichever is greater, is charged upon the signing of a commitment letter for a direct loan through funding provided under N.J.S.A. 34:1B-47 et seq.

[(c)] **(f) A non-refundable commitment fee of .875 percent of the loan amount is charged with the acceptance by an applicant of any direct loan commitment other than as described in (a), [or] (b), (c), (d) or (e) above.**

Recodify existing (d) as (g) (No change in text.)

19:30-6.3 Closing fees

(a) – (c) (No change.)

(d) For direct loans from the Authority, other than loans under the Statewide Loan Pool, Preferred Lender Program and the New Jersey Business Growth Fund, the fee, to be paid at closing, is .875 percent of the loan amount. For direct loans under the Edison Innovation Growth Fund, the fee to be paid at closing is .75 percent of the loan amount; and, for the Edison Innovation Commercialization Fund, the fee to be paid at closing is .5 percent of the loan amount. **For direct loans under the Small Business Fund, the fee to be paid at closing is .5 percent of the loan amount. For direct loans under N.J.S.A. 34:1B-47 et seq., the fee to be paid at closing is one-half of one percent of the total amount of the direct loan.**

(e) – (f) (No change.)

(g) For a State incentive grant under the Economic Redevelopment and Growth (ERG) Grant Program, the fee to be charged at closing is .5 percent of the maximum aggregate amount of the incentive grant award not to exceed \$300,000; however, for a combined State and local incentive grant, the commitment and closing fees shall not exceed 1 percent of the maximum amount or \$600,000, whichever is greater.

19:30-6.4 Post-closing fees

(a) The fees in this section are due and payable upon closing of the bond amendment, approval of change of ownership, or signing of modification consent, waiver, or similar documents.

1. – 5. (No change.)

6. For review and execution of a document or the preparation of documents, or granting a consent or waiver related to an Authority-assisted project, a fee of \$250.00 shall be charged. **For direct loans, a standard documentation fee of \$500 shall be charged except for direct loans under the Small Business Fund or N.J.S.A. 34:1B-47 et seq., for which the fee shall be \$300; and for any negotiations pertaining to Authority documentation, legal costs of the Authority shall be borne by the borrower.**

7. – 8. (No change.)

9. For approval to pledge and assign a State incentive grant amount pursuant to N.J.A.C. 19:31-4.11(a) under the Economic Redevelopment and Growth (ERG) Grant Program, a fee of \$2,500 shall be charged.

(b) (No change.)

19:30-6.5 and 19:30-6.6 (No change.)

19:30-6.7 Fee waiver

The Chief Executive Officer may, with the approval of the members, waive certain fees as described in this subchapter, upon demonstration by the applicant that the imposition of the fee would impose an undue financial hardship. The members may delegate to a Director, with the concurrence of the Chief Executive Officer, Chief Operating Officer or Senior Vice President, authority to waive a loan commitment **extension** fee; and may delegate to a Director, authority to waive late fees when the cause for the late fee is beyond the control of the borrower. The Chief Executive Officer, with the approval of the members, may waive, postpone or decrease bond application and closing fees for municipal governmental agency(s) or State agency projects. In the case of State agency projects, such waiver, postponement or decrease shall be in accordance with the directives of the State Treasurer regarding the specific State agency projects.

SUBCHAPTER 7. DISABILITY DISCRIMINATION COMPLAINT PROCEDURE

19:30-7.1 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

...

"Designated decision maker" means the [Executive Director] **Chief Executive Officer** of the Authority or his or her designee.

...

19:30-7.2 through 19:30-7.8 (No change.)

CHAPTER 31 AUTHORITY ASSISTANCE PROGRAMS

SUBCHAPTER 1. BOND FINANCING PROGRAM (No Change.)

SUBCHAPTER 2. LOAN GUARANTEE PROGRAMS

19:31-2.1 Program description

(a) – (b) (No change.)

(c) There are [five] **four** types of guarantees available: Fixed Asset Guarantees, Working Capital Guarantees, Special Guarantees, [Film Production Program Assistance Guarantees,] and, Smart Growth Pre-development Guarantees.

1. – 3. (No change.)

[4. Under the Film Production Assistance Program:

i. The Authority may provide guarantees of private loan(s) in eligible film projects. The maximum amount of Authority assistance shall be the lesser of \$1.5 million or 30 percent of the private loan(s);

ii. The Authority, prior to the granting of any guarantee, shall require:

(1) That funding for the film project, as defined in P.L. 1974, c.80 (*N.J.S.A. 34:1B-180(3)*), has been secured and is in place through a financial institution;

(2) The film production company, as defined in P.L. 1974, c.80 (*N.J.S.A. 34:1B-180(3)*), to enter into a completion bond or similar security with the Authority in such form, amount, and terms as shall be determined by the Authority; and

(3) That a minimum of one-half the estimated total production costs have been obtained from other sources;

iii. The Authority shall provide in any agreement between the Authority and a film production company for a guarantee that the lender shall retain a security interest in the assets of the film production company, including, but not limited to, all revenues, payments, money, and proceeds generated by the company's film project, and the Authority shall have a subrogated security interest in the collateral to the extent necessary to insure the Authority's full recovery of the amount of any guarantee;

iv. At least 50 percent of the material and production costs for any assisted project shall be purchased and/or spent in the State of New Jersey;

v. More than 70 percent of the filming days must take place in the State of New Jersey;

vi. Film production companies must provide in their employment contracts that not less than the prevailing wage rate, as determined by the Commissioner of Labor, pursuant to P.L. 1963, c.150 (*N.J.S.A. 34:11-56.25 et seq.*), shall be paid to workers employed in the performance of contracts in connection with a proposed project, including construction, reconstruction, rehabilitation or demolition of property and improvements thereon; and

vii. The total Authority exposure to any entity or related entities shall not exceed \$1.5 million at any one time. Related entities shall mean any person(s) or entity(ies) with ownership interests of 10 percent or more.]

Recodify existing 19:31-2.1(c)5 as 19:31-2.1(c)4 (No change. in text.)

(d) (No change.)

19:31-2.3 Application procedures

(a) – (d) (No change.)

[(e) For all Film Production Assistance Program guarantees, the Authority shall require, in addition to the requirements of (a) through (d) above:

1. A copy of the completion bond;
2. Copies of distribution agreements, as may be available, with major intended markets specified, and details including, but not limited to, companies, territories, and/or countries involved, and duration of exhibition in all major intended markets;
3. Specifics on target audience(s) for film project;
4. A listing and copies of credentials for all principals signed to participate in the film project in the following categories: producing, directing, acting, screenwriting, and cinematography;
5. A complete breakdown of the film project budget;
6. A copy of the proposed shooting schedule, including dates and locations;
7. A copy of the screenplay and brief treatment of the film project, specifying chain of title and/or assignment of rights to literary property;
8. The location of production office; and
9. Proof of liability insurance in an amount acceptable to the Authority.]

Recodify existing (f) as (e) (No change in text.)

19:31-2.4 Evaluation process

(a) When all of the required information is received, the Authority will perform its own credit evaluation based on the following:

1. – 6. (No change.)
7. An analysis of collateral available to secure the requested financing as to adequacy of amount, quality, condition and marketability; **and**
8. Independent credit investigations of the applicant and its principals, which may include real estate searches, financing statement searches, and judgment and lien searches[; and].
- [9. For projects funded under the Film Industry Production Assistance Guarantee Program, the Authority may utilize a consultant or subject matter experts such as the staff of the New

Jersey Motion Picture and Television Commission to review each application and its technical elements for the purpose of assisting the Authority in an investigation and analysis of the financial soundness of the film project or film production company. This review will be considered by the Authority in addition to its own credit evaluation based on the criteria in (a)1 through 8 above.]

(b) – (c) (No change.)

19:31-2.5 and 19:31-2.6 (No change.)

SUBCHAPTER 3. DIRECT LOAN PROGRAM

19:31-3.1 Program description

(a) – (l) (No change.)

(m) For Small Businesses, Minorities' and Women's Enterprises loans:

i. Of the financial assistance allocated by the Authority from the funds made available pursuant to the provisions of N.J.S.A. 5:12-181, 50 percent shall be made available to women, and 50 percent shall be made available to minorities and all such funds shall be invested in accordance with the geographic restrictions established by the act;

ii. Of the financial assistance allocated by the Authority from sources other than those funds made available pursuant to the provisions of N.J.S.A. 5:12-181, 50 percent shall be made available to small businesses, 25 percent shall be made available to minorities, and 25 percent shall be made available to women;

iii. For the purposes of financial assistance provided by the Authority pursuant to this subsection: a small business is a business which has its principal place of business in the State, is independently owned and operated, has 100 or fewer full-time employees, and at least 51 percent of the beneficial ownership of the business is held by persons other than minorities or women and the majority of the management of which is other than minorities or women; a minority business is a business in which at least 51 percent of the beneficial ownership of the business is held by minorities and the majority of the management are minorities; and, a women's business is a business in which at least 51 percent of the beneficial ownership of the business is held by women, and the majority of the management are women; and

iv. Each application for a loan shall be accompanied by any proof of certification by a public entity which certifies that the business is beneficially owned by, and that the majority of the management are, minorities or women.

19:31-3.2 through 19:31-3.6 (No change.)

SUBCHAPTER 4. (RESERVED) (No change.)

SUBCHAPTER 5. INVESTNJ BUSINESS GRANT PROGRAM (Repeal.)

SUBCHAPTER 6. MAIN STREET BUSINESS ASSISTANCE PROGRAM

19:31-6.1 Applicability and scope

The New Jersey Economic Development Authority is promulgating these rules to implement the Main Street Business Assistance Program Act, P.L. 2008, c. 117 (the "Act"). The Act established the Main Street Business Assistance Program to provide guarantees and loans to small and mid-size businesses and not-for-profit organizations on an expedited basis [for a period not to exceed two years from the date of enactment] to stimulate the economy.

19:31-6.2 through 19:31-6.5 (No change.)

SUBCHAPTER 7. LOCAL DEVELOPMENT FINANCING FUND

19:31-7.1 and 19:31-7.2 (No change.)

19:31-7.3 Application for financial assistance

(a) Each application for financial assistance from the Fund shall be accompanied by a non-refundable application fee of \$1,000. A non-refundable commitment fee of .875 percent of the loan amount is charged with the acceptance by an applicant of a direct loan commitment under the Local Development Financing Fund. The fee to be paid at closing is .875 percent of the loan amount. **If financial assistance is provided from the Fund to purchase a participation in a bank loan, a non-refundable fee of \$750 is charged with the acceptance of a commitment under the Fund. A closing fee is not charged for a bank participation from the Fund.**

(b) – (f) (No change.)

19:31-7.4 through 19:31-7.8 (No change.)

SUBCHAPTER 8. HAZARDOUS DISCHARGE SITE REMEDIATION FUND

19:31-8.1 Applicability and scope

The rules in this subchapter are promulgated by the New Jersey Economic Development Authority to implement those sections of P.L. 1993, c.139 which pertain to the Hazardous Discharge Site Remediation Fund. This Act established the Hazardous Discharge Site Remediation Fund, a special, revolving fund for the purpose of financing remediation activities at sites at which there is, or is suspected of being, a discharge of hazardous substances or hazardous waste.

19:31-8.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

...

“Renewable energy generation” means (1) electric energy produced from solar technologies, photovoltaic technologies, wind energy, fuel cells, geothermal technologies, wave or tidal action, methane gas from landfills, a resource recovery facility, a hydropower facility or a biomass facility, provided that the biomass is cultivated and harvested in a sustainable manner, and provided further that the Commissioner of the Department of Environmental Protection has determined that the resource recovery facility, hydropower facility or biomass facility, as appropriate, meets the highest environmental standards and minimizes any impacts to the environment and local communities; and (2) energy produced from solar thermal or geothermal technologies.

...

19:31-8.3 Eligibility

(a) (No change.)

(b) Grants from the Fund may be made for eligible projects to public entities for:

1. – 3. (No change.)

4. Matching grants of up to 75 percent of the costs of remedial action on contaminated real property for renewable energy generation;

Recodify existing 4. and 5. as 5. and 6. (No change in text.)

(c) (No change.)

(d) Grants from the Fund may be made for eligible projects to persons for:

1. Persons who own real property on which there has been a discharge of a hazardous substance or a hazardous waste and that person is an innocent party, a grant may be up to 50 percent of the remediation costs, but shall not exceed the total grant amount of \$1,000,000; [and]

2. An owner or operator of a child care center licensed pursuant to P.L.1983, c.492 (N.J.S.A. 30:5B-1 et seq.), or a prospective owner or operator of a child care center who has applied for a license pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.), a grant of \$1,500 for the costs of a preliminary assessment performed in order to obtain a no further action letter as required pursuant to the provisions of subsection b. of section 2 of P.L.2007, c.1 (C.52:27D-130.5) or performed as part of the child care center licensing requirements established by the Department of Children and Families; and

Recodify existing 2. as 3. (No change in text.)

(e) Preconditions to eligibility are as follows:

1. For public entities:

i. Except for remediation grants made pursuant to (b)[5] 6 above, public entities shall either hold a tax sale certificate on the real property; have acquired the real property through foreclosure or other similar means; or have acquired the real property through voluntary conveyance, or have passed a resolution or ordinance or other appropriate document to acquire it through voluntary conveyance for the purpose of redevelopment or for recreation and conservation purposes. Regarding the third precondition above, the document authorizing the real property acquisition may also provide that, should good faith negotiations fail, the public entity may choose to exercise its right of eminent domain in order to acquire title to the real property. Additionally, there must have been a discharge, or there is currently a suspected discharge, of a hazardous substance or hazardous waste on the real property.

ii. Except for grant awarded pursuant to (b)2, 3 or [5] 6 above, no grant or financial assistance shall be awarded for a remedial action until the public entity actually owns the real property.

iii. (No change.)

2. – 3. (No change.)

(f) (No change.)

19:31-8.4 and 19:31-8.5 (No change.)

19:31-8.6 Amount of financial assistance and grants

(a) – (c) (No change.)

(d) The total cumulative amount of matching grants awarded to public entities for remedial action of real property to be used for recreation and conservation purposes, **for renewable energy generation or for affordable housing**, shall not exceed \$5,000,000 in any calendar year.

(e) – (g) (No change.)

19:31-8.7 through 19:31-8.11 (No change.)

19:31-8.12 Disbursement of financial assistance and grants

(a) All requests for disbursements of the financial assistance or grant must be submitted by the applicant **to the Department** with a certification from the contractor or consultant that the requested moneys will be spent or have been spent in accordance with a Department approved

scope of work and a certification from the applicant that it is in full compliance with all of the terms and conditions of the assistance agreement. Disbursements are subject to certain preconditions, including, among other things, approval by the Department of the remediation contracts and all previously performed work.

(b) (No change.)

(c) In the case of a grant **or financial assistance**, payment will be conditioned upon the subrogation to the Department of all rights of the recipient to recover remediation costs from the **insurance carrier, discharger or [other liable party] person in any way responsible for a hazardous substance pursuant to N.J.S.A. 58:10-23.118 who does not have a defense to that liability under N.J.S.A. 58:10-23.11(g)**. All moneys collected in a cost recovery subrogation action shall be deposited into the Fund. **No award of a grant or financial assistance shall be made if the applicant relinquishes, impairs or waives, or has relinquished, impaired or waived, any right to recover the costs of remediation against any insurance carrier, discharger or person in any way responsible for a hazardous substance pursuant to N.J.S.A. 58:10-23.11(g).**

(d) – (e) (No change.)

19:31-8.13 (No change.)

19:31-8.14 Fees

[A \$500.00 application fee shall be due upon submittal of an application for financial assistance or a grant. A commitment fee and closing fee for financial assistance will be charged in accordance with the Authority's fee rules (see N.J.A.C. 19:30-6). No Authority fees shall be paid from the financial assistance or grant award.]

(a) Application fees shall be charged as follows:

1. A \$500.00 non-refundable fee shall be due upon submittal of an application for financial assistance or grant;

2. Additional non-refundable application fees for financial assistance are as follows: \$500 or one-half of one percent of the financial assistance, whichever is greater, shall be charged upon the acceptance of financial assistance under the Fund; and \$500 or one-half of one percent of the financial assistance, whichever is greater, shall be charged at closing.

(b) No Authority fees shall be paid from the financial assistance or grant award.

19:31-8.15 (No change.)

SUBCHAPTER 9. URBAN TRANSIT HUB TAX CREDIT PROGRAM (No change.)

SUBCHAPTER 10. BUSINESS EMPLOYMENT INCENTIVE PROGRAM

19:31-10.1 through 19:31-10.9 (No change.)

19:31-10.11 Prevailing wage and affirmative action

[To the extent a business (and not an unaffiliated third party) undertakes the construction of the project within two years of the business' execution of a commitment letter for the grant, the] **The business shall comply with the Authority's prevailing wage requirements, N.J.A.C. 19:30-4, and affirmative action requirements, N.J.A.C. 19:30-[5] 3, in the performance of the construction contract[.] for the project, provided that prevailing wage shall not be required for construction commencing more than two years after an entity has executed with the Authority a commitment letter and the first payment or other provisions of assistance is received.**

19:31-10.12 and 19:31-10.13 (No change.)

SUBCHAPTER 11. PETROLEUM UNDERGROUND STORAGE TANK REMEDIATION, UPGRADE AND CLOSURE FUND

19:31-11.1 Applicability and scope

The rules in this subchapter are promulgated by the New Jersey Economic Development Authority to implement those sections of P.L. 1997, c.235 (N.J.S.A. 58:10A-37.1 et seq.), [and P.L. 2003, c.148,] **as amended**, which pertain to the Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund. The former Act established the Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund, a special revolving fund for the purpose of financing remediation due to the discharge of petroleum from a petroleum underground storage tank or for the costs of upgrade and closure of a regulated tank.

19:31-11.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

...

"Eligible owner or operator" means:

1. Any owner or operator, other than the owner or operator of a petroleum underground storage tank storing heating oil for onsite consumption in a residential building, who owns or operates less than 10 petroleum underground storage tanks in New Jersey, who has a net worth of less than [\$2,000,000] **\$3,000,000** and who demonstrates to the satisfaction of the Authority, the inability to qualify for and obtain a commercial loan for all or part of the eligible project costs ("**Category 1**") [, or in the case of such an owner or operator of a facility located within an area designated as a Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a designated center as designated pursuant to the "State Planning Act," sections 1 through 12 of

P.L. 1985, c.398 (N.J.S.A. 52:18A-196 et seq.), who has a net worth of less than \$3,000,000 and who demonstrates to the satisfaction of the Authority, the inability to qualify for and obtain a commercial loan for all or part of the eligible project costs];

2. The owner or operator of a petroleum underground storage tank storing heating oil for onsite consumption in a residential building **located in New Jersey (“Category 2”)**;

3. (No change.)

4. An independent institution of higher education that owns or operates a petroleum underground storage tank (**“Category 4”**);

5. A nonprofit organization, corporation, or association **located in New Jersey** with not more than 100 paid employees, that is qualified for exemption from Federal taxation pursuant to section 501(c)(3) of the Federal Internal Revenue Code, 26 U.S.C. s. 501(c)(3), [who owns or operates less than 10 petroleum underground storage tanks in New Jersey,] **who demonstrates to the satisfaction of the Authority the inability to qualify for and obtain a commercial loan for all or part of the eligible project costs (“Category 5”)**[, or in the case of such an owner or operator of a facility located within an area designated as a Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a designated center as designated pursuant to the “State Planning Act,” sections 1 through 12 of P.L. 1985, c.398 (N.J.S.A. 52:18A-196 et seq.), has a net worth of less than \$3,000,000 and demonstrates to the satisfaction of the Authority the inability to qualify for and obtain a commercial loan for all or part of the eligible project costs]; **or**

6. A duly incorporated volunteer fire, ambulance, first aid, emergency, or rescue company or squad **located in New Jersey (“Category 6”)** [who owns or operates less than 10 petroleum underground storage tanks in New Jersey, and who has a net worth of less than \$2,000,000, or in the case of such an owner or operator of a facility located within an area designated as a Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a designated center as designated pursuant to the “State Planning Act,” sections 1 through 12 of P.L. 1985, c.398 (N.J.S.A. 52:18A-196 et seq.), has a net worth of less than \$3,000,000].

...

“Eligible project costs” means the reasonable costs for equipment, work or services required to effectuate a remediation, an upgrade or a closure which equipment, work or services are eligible for payment from the Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund. [In the case of an upgrade or closure of a regulated tank, eligible project costs shall be limited to the cost of the minimal effective system necessary to meet all the regulatory requirements of Federal and State law. The limitation of eligible project costs to the minimal effective system shall not be construed to deem ineligible those project costs expended to replace a regulated tank rather than to improve the regulated tank. An owner or operator may perform an upgrade or a closure beyond the minimal effective system in which case the eligible project costs that may be awarded from the fund as financial assistance shall be that amount that would represent the cost of a minimal effective system. In the case of a remediation of a petroleum underground storage tank used to store heating oil for onsite consumption in a residential

building, eligible project costs shall include the cost to replace a leaking tank with an above-ground or underground storage tank. In the case of a remediation, eligible project costs shall not include the cost to remediate a site to meet residential soil remediation standards if the local zoning ordinances adopted pursuant to the “Municipal Land Use Law,” P.L. 1975, c.291 (N.J.S.A. 40:55D-1 et seq.) does not allow for residential use. Eligible project costs may include the cost of a preliminary assessment and site investigation, even if performed prior to the award of financial assistance from the fund if the preliminary assessment and site investigation were performed after the effective date of the Act. Eligible project costs may also include expenditures incurred by eligible owners or operators, from their own funds, for remediation efforts undertaken after filing an application for financial assistance from the fund for the eligible project costs of the remediation.]

...

“Independent institution of higher education” means those institutions of higher education incorporated and located in [this] **the State** which, by virtue of law or character or license, are nonprofit educational institutions empowered to grant academic degrees and which provide a level of education which is equivalent to the education provided by the State's public institutions of higher education as attested by the receipt of and continuation of regional accreditation by the Middle States Association of Colleges and Schools, and which are eligible to receive State aid under the provisions of the Constitution of the United States and the Constitution of the State of New Jersey. “Independent institution of higher education” does not include any educational institution dedicated primarily to the preparation or training of ministers, priests, rabbis, or other professional persons in the field of religion.

“Non-residential building” means any building that is not a residential building.

“Operator” means any person in control of, or having responsibility for, the daily operation of a facility[.] **at the time that the application for financial assistance is submitted. The term “operator” also includes a person who, prior to the time that the application for financial assistance is submitted, sold a facility for which the person had daily operational control or responsibility for its daily operation, and who, in order to meet the person’s obligation under State or Federal law to remediate contamination caused by the discharge of hazardous substances from the facility, contracts with the buyer to conduct the remediation of the contamination subsequent to the closing of the sale of the facility.**

...

“Primary residence” means a homestead actually and continually occupied by an applicant as the applicant's permanent residence, as distinguished from a vacation home, property owned and rented or offered for rent by the applicant, and other secondary real property holdings. **An applicant can have only one primary residence for purposes of this subchapter.**

...

“Residential building” means a dwelling and not ancillary structures.

“State” means State of New Jersey.

“Unregulated tank” means a petroleum underground storage tank that is not required to be upgraded pursuant N.J.S.A. 58:10A-21 et seq. or 42 U.S.C. s. 6991 et seq.

...

19:31-11.3 Eligibility

(a) Financial assistance from the Fund may be made for eligible projects to:

[1. Owners or operators of regulated tanks to finance eligible project costs of an upgrade or closure of regulated tanks pursuant to 42 U.S.C. 6991 et. seq. or N.J.S.A. 58:10A-21 et seq.;

[2.] **1. Eligible owners or operators [of petroleum underground storage tanks to finance eligible project costs of remediation due to the discharge of petroleum from one or more tanks; and] to finance eligible project costs of an upgrade or closure of a regulated tank pursuant to 42 U.S.C. s. 6991 et seq. or N.J.S.A. 58:10A-21 et seq., provided that they owned or operated the subject tank as of December 1, 2002 and continually thereafter or inherited the property from a person who owned the property as of that date;**

2. Eligible owners or operators to finance eligible project costs of remediation due to the discharge of petroleum from one or more tanks, provided that, in the case of regulated tanks, they owned the tank(s) at the time of closure;

3. Eligible owners or operators of regulated tanks that are not operational to finance the closure and remediation of those tanks for 18 months after the date of discovery of the tank, or [February 15, 2005] June 30, 2010, whichever is later[.];

4. Eligible owners or operators of regulated tanks to finance eligible project costs of closure and remediation if the application is filed with the Department by June 30, 2010, and the application fee is received by the Authority and the application is deemed complete by December 31, 2010;

5. Eligible owners or operators of regulated tanks who have met the upgrade requirements pursuant to 42. U.S.C. s. 6991 et seq. or P.L. 1986, c. 102 (N.J.S.A. 58:10A-21 et seq.) may qualify for a loan in order to finance an improvement or replacement of a regulated tank to meet State and Federal standards;

6. Category 5 and 6 eligible owners or operators of petroleum underground storage tanks with a capacity of 2,000 gallon or less used to store heating oil for onsite consumption in a nonresidential building where no remediation is required may qualify for a grant to finance eligible project costs of closure and replacement, provided that the tank was not previously replaced with a grant from the Fund;

7. Eligible owners or operators in Category 5 and 6 may qualify for a grant to finance eligible project costs of closure or remediation of a petroleum underground storage tank; and

8. Eligible owners or operators of petroleum underground storage tanks used to store heating oil for onsite consumption in a residential building may qualify for a grant to finance eligible project costs of closure or closure and replacement. To the maximum extent possible, the eligible owner or operator shall replace the tank with an aboveground tank.

19:31-11.4 Amount [and terms] of financial assistance [and conditional hardship grants]

[(a)] Financial assistance from the fund may be made for eligible projects to:

1. Reimburse eligible owners or operators for the eligible project costs of the remediation when an applicant has expended their own funds on a remediation after filing an application for financial assistance from the fund for the eligible project costs of the remediation;

2. Reimburse independent institutions of higher education that have expended their own funds on a remediation prior to filing an application for financial assistance from the fund for expenditures for the eligible project costs of the remediation made on or after December 1, 1996, in an amount not to exceed \$500,000 for each institution; or

3. Reimburse eligible owners or operators for the eligible owners or operators for the eligible project costs of a preliminary assessment or site investigation performed after August 30, 1997.]

[(b)](a) Financial assistance may be for 100 percent of the eligible project costs, **subject to any dollar limitations as may otherwise be set forth in this subchapter.** Loans for upgrade, remediation or closure, or any combination, for any one facility, shall not exceed \$2,000,000, except as provided in [(c)]1 and [(d)]2 below:

[(c)]1. [A public entity applying for financial assistance from the fund may only be awarded financial assistance in the form of an interest free loan.] In the case of an eligible owner or operator of a facility located within an area designated as a Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), [or] a designated center as designated pursuant to the “State Planning Act,” sections 1 through 12 of P.L. 1985, c.398 (N.J.S.A. 52:18A-196 et seq.) .), **or the Highlands Region designated pursuant to section 7 of P.L. 2004, c.120 (N.J.S.A. 13:20-7),** the eligible owner or operator may receive a loan in an amount not to exceed \$3,000,000; and

[(d)]2. A loan that an applicant may receive from the fund for a remediation of a discharge that poses a threat to a drinking water source may not exceed \$3,000,000.

[(e)](b) Grants for upgrade, remediation, closure, or replacement or any combination, for any one facility, shall not exceed \$500,000 except as provided in [(f)] 1 and 2 below.

[(f)]1. In the case of an eligible owner or operator of a facility located within an area designated as a Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), [or] a designated

center as designated pursuant to the “State Planning Act,” sections 1 through 12 of P.L. 1985, c.398 (N.J.S.A. 52:18A-196 et seq.), or the **Highlands Region designated pursuant to section 7 of P.L. 2004, c. 120 (N.J.S.A. 13:20-7)**, the eligible owner or operator may receive a grant in an amount not to exceed [\$750,000] \$1,000,000 for each facility so located[.];

2. In the case of a closure, or closure and replacement, of a petroleum underground storage tank used to store heating oil for onsite consumption in a residential building where no remediation is required, an eligible owner or operator may receive a grant for the eligible project costs consistent with the cost guidelines established by the Department pursuant to section 4 of P.L. 2009, c.134 and in effect at the time the closure is performed.

3. In the case of an emergency remediation of a discharge from a petroleum underground storage tank used to store heating oil for onsite consumption in a residential building, an eligible owner or operator may receive a grant in an amount equal to the actual costs incurred by the Department or its authorized agents (excluding administrative costs), and borne by the eligible owner or operator.

4. In the case of a closure or replacement of a petroleum underground storage tank with a capacity of 2,000 gallons or less used to store heating oil for onsite consumption in a nonresidential building that is owned or operated by those in either Category 5 or Category 6, where no remediation is required, the eligible owner or operator may receive a grant for the eligible project costs of the closure or replacement in an amount consistent with the cost guidelines developed by the Department pursuant to section 4 of P.L. 2009, c.134 and in effect at the time the closure or replacement is performed, provided that the petroleum underground storage tank was not previously replaced with a grant from the Fund.

6. A Category 4 eligible owner or operator may receive a grant in an amount up to \$1.5 million per institution to fund the remediation costs.

[(g) An application for financial assistance from the fund for an upgrade or closure of a regulated tank shall include all regulated tanks at the facility for which the applicant is seeking financial assistance. Once financial assistance for an upgrade or closure is awarded for a facility, no additional award of financial assistance for upgrade or closure costs may be made for that facility. However, if an applicant discovers while performing upgrade or closure activities that a remediation is necessary at the site of a facility, and if financial assistance was previously awarded for that site only for an upgrade or closure of a regulated tank, the applicant may amend his application and apply for financial assistance for the required remediation subject to the limitations enumerated in section 5 of P.L. 1997, c.235 (N.J.S.A. 58:10A-37.5). An application for financial assistance for an upgrade or closure of a regulated tank shall be conditioned upon the applicant agreeing to perform, at the time of the upgrade or closure, any remediation necessary as a result of a discharge from the regulated tank and commencement of the remediation within the time prescribed and in accordance with all appropriate rules and regulations.

(h) If a combination loan and grant is awarded, the Authority shall release the loan monies prior to the release of the grant monies, and only release the grant monies upon closure and complete disbursement of the loan.

(i) An applicant, other than a public entity, may apply for and receive a conditional hardship grant or a loan for the upgrade, closure, or remediation of an underground storage tank. An applicant for a conditional hardship grant or a loan for an upgrade may be eligible for financial assistance only for any underground storage tank with a capacity of over 2,000 gallons used to store heating oil for onsite consumption in a nonresidential building that has received an extension of the deadline for compliance with the standards pursuant to subsection b of section 9 of P.L. 1986, c. 102 (N.J.S.A. 58:10A-29).

(j) An applicant shall not receive financial assistance from this Fund if assistance was previously made under Hazardous Discharge Site Remediation fund at that site.

(k) Loans from the fund shall be for a term of not more than 10 years. Interest on loans from the fund, except loans to public entities, shall be equal to an amount fixed between two percent and the prime rate at time of approval, or at the time of closing if the prime rate is lower, except as set forth in (b) above. The Authority shall determine the interest rate based on the applicant's ability to repay the loan.

(l) If the facility for which the loan was made is sold, the unpaid balance of the loan shall become immediately due and payable in full. Upon the sale of the facility for which a conditional hardship grant was made, the conditional hardship grant shall become immediately payable in full, to the extent required by N.J.S.A. 58:10A-37.16. No repayment of a conditional hardship grant shall be required for a remediation necessitated by a discharge at the applicant's primary residence.

(m) An applicant, other than a public entity, may apply for and receive a conditional hardship grant based on Authority findings of:

1. Eligibility;
2. Financial hardship; and
3. Satisfaction of statutory criteria at N.J.S.A. 58:10A-37.5(c).

(n) In order to be eligible for a conditional hardship grant for closure or upgrade, in the case of a regulated tank, the applicant shall:

1. Have owned or operated the subject regulated tank as of December 1, 2002 and continually thereafter or shall have inherited the property from a person who owned the regulated tank as of that date; and
2. Not have a taxable income of more than \$200,000 or a net worth, exclusive of the applicant's primary residence and pension, of over \$200,000.

(o) In order to be eligible for a conditional hardship grant for remediation, in the case of a regulated tank, the applicant shall:

1. Have owned or operated the subject regulated tank at the time of tank closure and continually thereafter or shall have inherited the property from a person who owned the regulated tank as of that date; and

2. Not have a taxable income of more than \$200,000 or a net worth, exclusive of the applicant's primary residence and pension, of over \$200,000.

(p) A finding of financial hardship by the Authority shall be based on a review of the applicant's financial condition and a determination that an applicant cannot reasonably be expected to repay all or a portion of the eligible project costs if the financial assistance were to be awarded as a loan. The amount of an award of a conditional hardship grant shall be the amount of that portion of the eligible project costs the Authority determines the applicant cannot reasonably be expected to repay.

(q) Notwithstanding the eligibility requirements for net worth and income, an independent institution of higher education, a nonprofit organization, corporation or association with not more than 100 paid individuals that is qualified for exemption from Federal taxation pursuant to section 501(c)(3) of the Federal Internal Revenue Code, 26 U.S.C. § 501(c)(3), or a duly incorporated volunteer fire, ambulance, first aid, emergency, or rescue company or squad shall be eligible for a conditional hardship grant for eligible project costs of a closure or remediation of a petroleum underground storage tank.]

19:31-11.5 Eligible Project Costs

Financial assistance from the Fund may be made for eligible projects, as follows:

(a) In the case of an upgrade or closure of a regulated tank, eligible project costs are limited to the cost of the minimal effective system necessary to meet all the regulatory requirements of Federal and State law, except that an eligible owner or operator who has met the upgrade requirements pursuant to 42 U.S.C. s. 6991 et seq. or P.L. 1986, c. 102 (N.J.S.A. 58:10A-21 et seq.) may be awarded a loan which shall not be limited to the cost of a minimal effective system, in order to finance the costs of the improvement or replacement of tanks to meet State and federal standards as provided in subsection g. of section 5 of P.L. 1997, c. 235 (N.J.S.A. 58:10A-37.5). The limitation of eligible project costs to the minimal effective system shall not be construed to deem ineligible those project costs expended to replace a regulated tank rather than to improve the regulated tank. An owner or operator may perform an upgrade or a closure beyond the minimal effective system in which case the eligible project costs that may be awarded from the Fund as financial assistance in the form of a grant shall be that amount that would represent the cost of a minimal effective system.

(b) In the case of a remediation, replacement, or closure of an unregulated tank, eligible project costs shall include the cost to replace a tank with an above-ground or underground storage tank.

(c) In the case of a remediation, eligible project costs shall not include the cost to remediate a site to meet residential soil remediation standards if the local zoning ordinances adopted pursuant to the “Municipal Land Use Law,” P.L. 1975, c.291 (N.J.S.A. 40:55D-1 et seq.) does not allow for residential use.

(d) No financial assistance may be awarded from the Fund for remediation if the discharge began after completion of an upgrade intended to meet all applicable upgrade regulations of the Department.

(e) Except as set forth below, no award of financial assistance shall be made from the Fund for the otherwise eligible project costs of a remediation, closure or an upgrade, or parts thereof, completed prior to an award of financial assistance from the Fund:

1. Eligible project costs may include the cost of a preliminary assessment and site investigation, even if performed prior to the award of financial assistance from the Fund, if the preliminary assessment and site investigation were performed after August 30, 1997;

2. Eligible project costs may include reimbursement of expenditures incurred by eligible owners or operators, from their own funds, for remediation efforts undertaken after filing an application for financial assistance from the Fund for the eligible project costs of the remediation;

3. Eligible project costs may include reimbursement of expenditures incurred by independent institutions of higher education that have expended their own funds on a remediation prior to filing an application for financial assistance from the Fund for expenditures for the eligible project costs of the remediation made on or after December 1, 1996, in an amount not to exceed \$500,000 for each institution; and

4. Eligible project costs may include reimbursement of expenditures incurred by owners and operators for closure, or closure and replacement, of a petroleum underground storage tank used to store heating oil for onsite consumption in a residential building where no remediation is required prior to the completion of such work if the applicant submits all of the information required pursuant to subsection 11.8 herein to the Authority within 45 days of issuance by the Authority of a preliminary approval letter.

5. Eligible project costs may include reimbursement of expenditures incurred by an applicant for remediation of a tank at the applicant’s primary residence prior to filing an application.

6. Eligible project costs may include reimbursement of expenditures incurred by an eligible owner or operator in the case of an emergency remediation of a discharge from a

petroleum underground storage tank used to store heating oil for onsite consumption in a residential building paid to the Department or its agent (except for administrative costs) .

7. Eligible project costs may include reimbursement of expenditures made by Category 5 and 6 applicants for remediation of a discharge caused by a tank with a capacity of 2,000 gallons or less used to store heating oil for onsite consumption in a non-residential building on or after October 1, 2009, but prior to the filing of an application.

(d) Once financial assistance for an upgrade or closure is awarded for a facility, no additional award of financial assistance for upgrade or closure costs may be made for that facility. However, if an applicant discovers while performing upgrade or closure activities that a remediation is necessary at the site of a facility, and if financial assistance was previously awarded for that site only for an upgrade or closure of a regulated tank, the applicant may amend its application and apply for financial assistance for the required remediation subject to the limitations enumerated in section 5 of P.L. 1997, c.235 (N.J.S.A. 58:10A-37.5).

(e) An applicant shall not receive financial assistance from this Fund if assistance was previously made under the Hazardous Discharge Site Remediation Fund at that site.

(f) No person shall be eligible for a grant from the Fund to replace a petroleum underground storage tank that stores heating oil for onsite consumption in a residential building if the tank that stores heating oil for that residential building was previously replaced using a grant from the Fund.

19:31-11.6 Terms of Financial Assistance

(a) An entity applying for financial assistance from the fund may only be awarded financial assistance in the form of an interest free loan, as follows:

1. Loans from the Fund shall be for a term of not more than 10 years. Interest on loans from the Fund, except loans to public entities, shall be equal to an amount fixed between two percent and the prime rate at time of approval, or at the time of closing if the prime rate is lower. The Authority shall determine the interest rate based on the applicant's ability to repay the loan.

2. If the facility for which the loan was made is sold, the unpaid balance of the loan shall become immediately due and payable in full.

3. A loan shall be awarded only upon a finding that the applicant, other than a public entity, is able to repay the loan.

4. Except for eligible owners and operators in Categories 2, 4 and 6, applicants cannot be awarded a loan unless they show the inability to qualify for a conventional loan for all or part of the eligible project costs.

(b) An applicant, other than a public entity, may apply for and receive a conditional hardship grant based on Authority findings under all of the following three criteria:

1. Eligibility

i. In order to be eligible for a conditional hardship grant for closure or upgrade, in the case of a regulated tank, the applicant shall have owned or operated the subject regulated tank as of December 1, 2002 and continually thereafter or shall have inherited the property from a person who owned the regulated tank as of that date; and not have a taxable income of more than \$250,000 or a net worth, exclusive of the applicant's primary residence and pension, of over \$500,000 taxable income derived from the tax return in the year prior to making application.

ii. In order to be eligible for a conditional hardship grant for remediation, in the case of a regulated tank, the applicant shall have owned or operated the subject regulated tank at the time of tank closure; and not have a taxable income of more than \$250,000 or a net worth, exclusive of the applicant's primary residence and pension, of over \$500,000 taxable income derived from the tax return in the year prior to making application.

iii. The eligibility requirements for net worth and taxable income are not applicable to applicants qualifying as eligible owners or operators under Categories 4, 5 or 6 and seeking grant monies for closure or remediation costs.

2. Financial hardship

i. A finding of financial hardship by the Authority shall be based on a review of the applicant's financial condition and a determination that an applicant cannot reasonably be expected to repay all or a portion of the eligible project costs if the financial assistance were to be awarded as a loan.

ii. The amount of an award of a conditional hardship grant shall be the amount of that portion of the eligible project costs the Authority determines the applicant cannot reasonably be expected to repay; however, any applicant with a taxable income of more than \$200,000 who qualifies for a grant shall be required to pay no more than \$1,000 of the eligible project costs.

3. Satisfaction of statutory criteria at N.J.S.A. 58:10A-37.5(c).

(c) Upon the sale of the facility for which a conditional hardship grant was made, the conditional hardship grant shall become immediately payable in full, to the extent required by N.J.S.A. 58:10A-37.16. No repayment of a conditional hardship grant shall be required for a remediation necessitated by a discharge at the applicant's residence, nor shall repayment be required if the sale is pursuant to a condemnation proceeding or the exercise of the power of eminent domain.

(d) Conditional hardship grants shall be subject to the lien provisions set forth in the Act.

(e) An application for financial assistance from the Fund for an upgrade or closure of a regulated tank shall include all regulated tanks at the facility for which the applicant is seeking financial assistance.

(f) An application for financial assistance for an upgrade or closure of a regulated tank shall be conditioned upon the applicant agreeing to perform, at the time of the upgrade or closure, any remediation necessary as a result of a discharge from the regulated tank and commencement of the remediation within the time prescribed and in accordance with all appropriate rules and regulations.

Recodify existing 19:31-11.5 as 19:31-11.7 (No change in text.)

19:31-11.[6] **8** Application for financial assistance

(a) (No change.)

(b) The applicant will be given priority for financial assistance based on the date of receipt by the Authority of a completed application, **subject to the priority system set forth in NJAC 19:31-11.5.**

(c) – (d) (No change.)

(e) A change in the filing date resulting from failure to submit a completed application or from failure to submit the application fee in a timely fashion for applications filed for financial assistance for a regulated tank to meet the upgrade or closure requirements pursuant to 42 U.S.C. s. 6991 et seq. or P.L. 1986, c.102 (N.J.S.A. 58:10A-21 et seq.) or for the remediation of a discharge from any such regulated tank shall not render the application ineligible for financial assistance as long as the initial date of application is prior to June 30, [2005] **2010**, or for a regulated tank that is not operational, 18 months from the date of discovery of the tank or [February 15, 2005] **June 30, 2010**, whichever is later.

[(f) No financial assistance for upgrade shall be awarded for any underground storage tank with a capacity of over 2,000 gallons used to store heating oil for onsite consumption in a nonresidential building required to be upgraded by P.L. 1986, c.102 (N.J.S.A. 58:10A-21 et seq.) but not pursuant to 42 U.S.C. §§ 6991 et seq., unless the applicant has received an extension of the deadline for compliance with the standards pursuant to subsection b of section 9 of P.L. 1986, c.102 (N.J.S.A. 58:10A-29), the application is filed with the Authority prior to June 30, 2005, and the application is complete and the application fee received by December 31, 2005.

(g) No financial assistance for closure shall be awarded for any regulated tank required to meet the upgrade or closure requirements pursuant to 42 U.S.C. §§ 6991 et seq. or P.L. 1986, c.102, or for the remediation of a discharge from any such regulated tank, unless the application

is filed with the Authority prior to June 30, 2005, and the application is complete and the application fee received by December 31, 2005.

1. In the case of a regulated tank that is not operational, financial assistance for the closure or the remediation of any discharge therefrom may be awarded if the application is filed with the Authority no more than 18 months from the date of discovery of the tank or February 15, 2005, whichever is later.]

Recodify existing (h) as (g) (No change in text.)

[(h)](f) A completed application from an applicant shall include, if applicable as determined by the Authority:

1. (No change.)
2. A description of the proposed project and a detailed breakdown of the use of the [loan] **financial assistance** proceeds;
3. Annual financial statements for the three most recent years, including the balance sheets, operating statements and reconciliations of the source and application of funds, or, for an individual, copies of **Federal income** tax returns for the three most recent years;
4. A current [interim] **personal financial** statement, if the most recent annual financial statement is more than six months old;
5. (No change.)
6. A list of the applicant's five largest [suppliers] **customers**, including the [supplier] **customer** name, address, telephone number, and contact person;
7. A list of the applicant's five largest suppliers, including the supplier name, address, telephone number, and contact person; [and]
8. A schedule of all officers, directors and stockholders (owning 10 percent or more of the stock), including resumes and signed, dated personal financial statements, **EDA application, tax clearance certificate and property deed** [.]
- 9. Submission of an application and fee for a tax clearance certificate pursuant to P.L. 2007, c. 101.**

Recodify existing (i) as (g) (No change in text.)

[(j)](h) Within 45 days of the receipt of a completed application, a determination will be made to recommend approval to the members of the Authority or deny the application. The applicant has no right to have its application presented to the members of the Authority.

(i) In the case of a closure or a replacement and closure of a petroleum underground storage tank used to store heating oil for onsite consumption in a residential building where no remediation is required, if an applicant submits a complete application package to the Authority prior to the completion of the project and the Authority determines that the applicant qualifies for the grant, the Authority shall issue written confirmation that the applicant will receive a grant upon completion of the project, subject to the applicant's submission of the following to the Authority within 45 days from the issuance date of the written confirmation: invoices; executed General Non-Leaking Tank Certification; executed Contractor Non-Leaking Tank Certification; executed Financial Assistance Agreement; copy of the deed for the subject property; and a valid Business Tax Clearance Certificate. For purposes of this subsection, a complete application package shall include all of the following: non-refundable application fee; completed Non-Leaking Tank Application; executed Frequently Asked Questions; current Personal Financial Statement; and Federal Income Tax Returns for the last three years.

(j) The written confirmation shall be valid for 45 days from the date of issuance. Any applicant, who has received written confirmation pursuant to this subsection and fails to submit the documentation, certification, or other information required by this subsection before the expiration date of confirmation, shall be required to submit a new application for review.

19:31-11.[7] 9 Evaluation process for financial assistance

(a) When all of the required information is received, the Authority shall perform its own credit evaluation based on the following, **as applicable**:

1. – 5. (No change.)

6. Contact with applicant's [bank(s)] **supplier's** to ascertain credit history and an opinion of the applicant's management;

7. – 8. (No change.)

(b) After completing (a) above, a determination shall be made as to the merits of the request **and, if a loan**, the likelihood of repayment, and the adequacy of the collateral available to secure the [requested financial assistance] loan.

(c) If a positive determination is made, the requested financial assistance shall be presented to the members of the Authority for approval, **or considered by authorized Authority staff through delegated authority, if applicable**.

19:31-11.[8] 10 Approval process for financial assistance

(a) Only the members of the Authority can approve financial assistance from the Fund, **unless the authority to approve certain types of transactions has been expressly delegated by the members to Authority staff**.

(b) – (c) (No change.)

(d) If there has been no veto, **or if Authority staff has rendered its approval under delegated authority**, a formal commitment letter, notice of approval of financial assistance shall be issued to the applicant.

1. (No change.)

i. – ii. (No change.)

(e) – (f) (No change.)

(g) When all required documentation is prepared, in form and content satisfactory to the Authority, a closing for financial assistance shall be scheduled and the funds made available to the applicant, **subject to any preconditions to disbursement imposed thereon by the Authority.**

19:31-11.[9] **11** Disbursement of financial assistance

(a) All requests for disbursements of the financial assistance shall be submitted by the applicant **to the Department** with a certification from the contractor or consultant that the requested moneys have been or will be spent in accordance with a Department approved scope of work. **The Authority will disburse funds only upon written approval by the Department. Notwithstanding the foregoing, the Authority will disburse funds for closure or closure and replacement of a non-leaking tank upon satisfactory review and approval of a completed application and imposition of a statutory lien, if applicable.**

(b) – (d) (No change.)

(e) **If a combination loan and grant is awarded, the Authority shall release the loan monies prior to the release of the grant monies, and only release the grant monies upon closure and complete disbursement of the loan.**

Recodify existing 19:31-11.10 as 19:31-11.12 (No change in text.)

19:31-11.[11] **13** Fees

(a) An application fee shall be charged as follows:

1. \$250.00 for **tanks in residential buildings** [tanks per facility];
2. \$500.00, **at application**, for **tanks in nonresidential buildings** [tanks up to six tanks per facility]; **\$500 or one-half of one percent of the financial assistance, whichever is greater, upon the acceptance of financial assistance under the Fund; and \$500 or one-half of one percent of the financial assistance, whichever is greater, at closing;** and

3. \$1,000 for seven or more **tanks in** nonresidential **buildings** [tanks per facility].

(b) – (c) (No change.)

Recodify existing 19:31-11.12 as 19:31-11.14 (No change in text.)

SUBCHAPTER 12. TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM (No change.)

SUBCHAPTER 13. ENERGY SALES TAX EXEMPTION PROGRAM (No change.)

12A COMMERCE

CHAPTER 31. NEW JERSEY DEVELOPMENT AUTHORITY FOR SMALL BUSINESSES, MINORITIES' AND WOMEN'S ENTERPRISES

SUBCHAPTER 1. DIRECT LOAN PROGRAM (No change.)

SUBCHAPTER 2. LOAN GUARANTEE PROGRAM (No change.)

SUBCHAPTER 3. (RESERVED) (Repeal.)

PRELIMINARY RESOLUTIONS

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

APPLICANT: The Atlantic City Sewerage Company

P32290

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: St. James Place & New York Atlantic City (T)

Atlantic

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

APPLICANT BACKGROUND:

The Atlantic City Sewerage Company (ACSC) is an investor-owned public utility company that manages and operates a wastewater collection and pumping system servicing the franchised area of and within the city boundaries of Atlantic City. The actual sewerage treatment is provided by the Atlantic County Utilities Authority (ACUA). The company was founded in 1888 and presently has approximately 100 miles of sewers and seven pumping stations with a combined capacity of 40 million gallons a day and serves 7,500 customers.

ACSC has prior outstanding tax-exempt bonds with the EDA:

1) \$6 million bond issued in 1998 for infrastructure improvements of various sections of the older sanitary sewer system. The 1998 Bond has a principal balance of approx. \$5 million, a rate of 5.45% and matures in April 2028; 2) \$5.695 million tax-exempt bond issued in 2002, utilized for the construction of a waste water pumping station and infrastructure sewer system improvements and to refund prior tax-exempt bonds from 1991. The 2002 bond issue, comprised of a Series A Bond in the amount of \$3.655 million and a Series B Bond in the amount of \$2.040 million, are at a variable interest rate based on 73% of 30-day LIBOR plus 75 basis pts. with final terms of 10 years and 20 years respectively. As of 12/31/09, the principal balance on the 2002 bonds is approx. \$2.75 million; and 3) \$6 million bond issued in 2008 to implement the Southeast Inlet Sewer Improvement Project including development for Revel Hotel and Casino. The 2008 Bond has term of 20 years with a variable interest rate based on 1 mo. LIBOR plus 210 basis points, swapped to fixed rate of 4.99% through January 2019. The bonds are in compliance.

This project qualifies as an Exempt Public Facility - Sewage project under Section 142(a)(5) of the IRS Code and therefore is exempt from the \$20 million capital expenditure limitation under Section 144 of the Code.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to purchase machinery and equipment for the construction, upgrade and expansion of two sanitary sewer systems lines: St. James Place and New York Avenue Force Mains, to meet the needs and demands of Atlantic City. Portions of these force mains have been in service for over 80 years and have had two (2) breaks in the force mains that have cause the ACSC concern. The Project, consisting of replacing portions of the two mains where they cross the waterways of Penrose Canal and Clam Thorofare, is scheduled to start in early 2011 and completion by end of that year. The Board of Public Utilities approved the financing of this proposed project in October 2008.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Purchase of equipment & machinery	\$7,340,000
Engineering & architectural fees	\$500,000
Legal fees	\$80,000
Finance fees	\$80,000
TOTAL COSTS	<u><u>\$8,000,000</u></u>

JOBS: At Application 36 Within 2 years 1 Maintained 0 Construction 20

PUBLIC HEARING:

BOND COUNSEL: Wolff & Samson

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: T. Wells

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

APPLICANT: TDAF I Pru Hotel Urban Renewal Company, LLC

P32289

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 842-868 Broad Street

Newark City (T/UA)

Essex

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

APPLICANT BACKGROUND:

In November 1998, The City of Newark approved a redevelopment plan and a redevelopment area pursuant to the Local Redevelopment and Housing Law (NJSA 40:12A-1) as amended and supplemented. Included in this area is the project site at 842-868 Broad Street in Newark that will be developed by TDAF I Pru Hotel Urban Renewal Company, LLC ("TDAF"). TDAF is an LLC formed for the purpose of developing this project and is a partnership between Tucker Development Corporation, Marriott International, the New Jersey Devils, and Robert Finvarb Companies.

The project is a seven story building that will contain a 150 room limited-service hotel under the brand Courtyard by Marriott. Hotel rooms will be located on floors three through seven. The hotel lobby and amenities will be located on the second floor, complete with business meeting rooms, a food service area, a swimming pool and a fitness center. The building's first floor will be comprised of approximately 14,900 gross square feet of retail space anticipated to be occupied by small shop retail, service oriented businesses and restaurants.

The City of Newark is supporting the project and believes it will improve Newark's Downtown Core District Redevelopment Area by maximizing the use of a key property within the Redevelopment Area. The hotel and retail project will be connected to the Prudential Center, and it is within close proximity to Newark Penn Station, offering easy access to mass transit.

APPROVAL REQUEST:

Authority assistance will enable the applicant to finance a portion of the development of the 105,500 sq ft building through Redevelopment Area Bonds ("RABs"). The bonds will be repaid from Payments-In-Lieu-Of-Taxes ("PILOT" payments) to be made by the developer under a finance agreement with the City of Newark, pursuant to the Redevelopment Area Bond Financing Law. This preliminary approval by the Authority of the RAB will also allow the project to be presented for approval by the Local Finance Board for the \$3,000,000 request.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Construction of new building or addition	\$22,455,825
Purchase of equipment & machinery	\$3,291,750
Soft Costs	\$2,803,636
Land	\$2,000,000
Interest during construction	\$990,000
Engineering & architectural fees	\$825,000

Permits	\$694,983
Finance fees	\$624,000
Debt service reserve fund	\$600,000
Legal fees	\$500,000
Working capital	\$150,000
Remediation etc.	\$80,000
TOTAL COSTS	<u>\$35,015,194</u>

JOBS: At Application 0 Within 2 years 48 Maintained 0 Construction 674

PUBLIC HEARING:

BOND COUNSEL: Wolff & Samson

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: K. McCullough

PUBLIC HEARING ONLY

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

APPLICANT: Springpoint Senior Living, Inc. Obligated Group

P10254

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Various - see file

Various (V)

Various

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

APPLICANT BACKGROUND:

Springpoint Senior Living, Inc. (formerly known as Presbyterian Homes and Services, Inc.) is 501(c)(3) not-for-profit corporation, and leader in high-quality senior housing and services for more than 90 years, with close to 2,000 associates, serving nearly 5,000 residents in 26 communities across the state. Springpoint Senior Living offers a diversity of retirement lifestyle options, including full-service senior living, assisted living and affordable housing, as well as a range of innovative services and programming to enhance residents' lives.

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 enabled the applicant to finance or refinance a portion of: 1) various taxable debt (originally with Summit Bank) previously incurred by the applicant for its various facilities; 2) acquisition of Crestwood Manor, a continuing care retirement community in Manchester Twp. presently operated and leased by the applicant which contains 380 independent living units and 60 skilled nursing beds on 44 acres; and 3) capital improvements to other facilities including the addition of 28 assisted living units and 22 skilled nursing units to Monroe Village, a 300-unit continuing care retirement community/assisted living facility in Hightstown/East Windsor Township.

THIS PROJECT IS BEING PRESENTED AT THE JULY 15, 2010 BOARD MEETING FOR A PUBLIC HEARING ONLY in connection with changes that are being made to documents relating to the 1998 Bond. On June 8, 2010, the Members of the Board approved an Amended Bond Resolution to increase the interest rate from 4.31% to 5.31% in consideration for the approval of the Bank of America, bondholder of the 1998 Bonds, to certain changes in the financial covenants contained in the Loan and Trust Agreement. Bond Counsel, McCarter & English has advised that a public hearing should be conducted due to a slight extension of the average weighted maturity with the reamortization of the 1998 Bond after the increase in the interest rate.

FINANCING SUMMARY:

BOND PURCHASER: Bank of America (Direct Purchase)

AMOUNT OF BOND: \$29,600,000 Tax Exempt

TERMS OF BOND: 20 yrs.; 5.31% Fixed Rate

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$52,300,000
Refinancing	\$27,340,000
Construction of new building or addition	\$9,395,000
Debt Service Reser	\$5,700,000

Legal fees	\$1,875,000
Working capital	\$845,000
TOTAL COSTS	\$97,455,000

JOBS: At Application 117 Within 2 years 12 Maintained 0 Construction 282

PUBLIC HEARING: 07/15/10 (Published 06/23/10) **BOND COUNSEL:** McCarter & English
DEVELOPMENT OFFICER: **APPROVAL OFFICER:** T. Wells

DIRECT LOANS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - DIRECT LOAN PROGRAM**

APPLICANT: Phanie M. LLC

P32111

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Park Place and the Boardwalk Atlantic City (T)

Atlantic

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

APPLICANT BACKGROUND:

Formed in December 2007, Phanie M. LLC d/b/a Walt's Original Primo Pizza ("Phanie") is a pizza restaurant currently located at the Harrah's Atlantic City ("Harrah's") food court.

This project involves the renovation of partially vacant space into a food court at Bally's Park Place Casino Hotel, Inc., d/b/a Bally's Atlantic City ("Bally's", "Casino", or the "Landlord").

APPROVAL REQUEST:

Approval is requested for the Authority to (1) issue a \$1.1 million non-recourse note that will be purchased by the Casino Reinvestment Development Authority ("CRDA") and assigned to Bally's without recourse to the Authority; (2) use the proceeds of the non-recourse note sale and make a direct loan to Phanie for the purposes set forth in the Lease Agreement; (3) assign the EDA loan documents with Phanie to CRDA (subject to reserved rights), which will then assign them to Bally's; and (4) execute any and all documents necessary for this transaction, including a Memorandum of Understanding with CRDA and Bally's.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: \$1,100,000

TERMS OF LOAN: \$1,100,000 loan to be reduced by 75% at closing and the remaining balance repaid over a term of 10 years at an interest rate of 0%.

PROJECT COSTS:

Leasehold Improvements	\$750,000
New equipment purch.	\$225,000
Soft Costs	\$125,000
TOTAL COSTS	\$1,100,000

JOBS: At Application 19 Within 2 years 11 Maintained 0 Construction 23

DEVELOPMENT OFFICER: D. Bennis

APPROVAL OFFICER: D. Lawyer

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - DIRECT LOAN PROGRAM**

APPLICANT: Sacko AC LLC

P32138

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Park Place and the Boardwalk Atlantic City (T)

Atlantic

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

APPLICANT BACKGROUND:

Formed in February 2008, Sacko AC LLC d/b/a Sack O' Subs ("Sacko") is a submarine sandwich and fast food restaurant currently located at the Harrah's Atlantic City ("Harrah's") food court.

This project involves the renovation of partially vacant space into a food court at Bally's Park Place Casino Hotel, Inc., d/b/a Bally's Atlantic City ("Bally's", "Casino", or the "Landlord").

APPROVAL REQUEST:

Approval is requested for the Authority to (1) issue a \$1.1 million non-recourse note that will be purchased by the Casino Reinvestment Development Authority ("CRDA") and assigned to Bally's without recourse to the Authority; (2) use the proceeds of the non-recourse note sale and make a direct loan to Sacko for the purposes set forth in the Lease Agreement; (3) assign the EDA loan documents with Sacko to CRDA (subject to reserved rights), which will then assign them to Bally's; and (4) execute any and all documents necessary for this transaction, including a Memorandum of Understanding with CRDA and Bally's.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: \$1,100,000

TERMS OF LOAN: \$1,100,000 loan to be reduced by 75% at closing and the remaining balance repaid over a term of 10 years at an interest rate of 0%.

PROJECT COSTS:

Leasehold Improvements	\$750,000
New equipment purch.	\$225,000
Soft Costs	\$125,000
TOTAL COSTS	<u><u>\$1,100,000</u></u>

JOBS: At Application 19 Within 2 years 13 Maintained 0 Construction 23

DEVELOPMENT OFFICER: D. Bennis

APPROVAL OFFICER: D. Lawyer

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - DIRECT LOAN PROGRAM**

APPLICANT: Total Turf Experience, LLC

P32176

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 614 Lambs Road

Mantua Township (N)

Gloucester

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

APPLICANT BACKGROUND:

Total Turf, LLC is a state of the art indoor and outdoor athletic facility located in Pitman, NJ. There will be a 48,000 square foot indoor facility that will allow up to three indoor soccer games to be played at one time or a baseball game and one soccer game. Initially, there will be two full sized outdoor fields. The Company has partnered with a Sports Manager in lacrosse, field hockey, soccer and baseball, who currently run leagues and are well known in the local and regional sports community. Gerald McGough, Robert Loftus, Bradley Yates and Andrew Logar will jointly own the company.

APPROVAL REQUEST:

Approve a \$1,250,000 Authority term loan.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: \$1,250,000

TERMS OF LOAN: 5-Year Term/15-Year Amortization Fixed rate of 5-Year Treasury + 2%, with a floor of 3%
Interest only for initial 6-month period followed by principal and interest payments for remaining 54 months.

PROJECT COSTS:

Site Work	\$1,988,459
Construction of new building or addition	\$1,889,000
Leasehold Improvements	\$1,616,960
Land	\$1,500,000
Finance fees	\$62,950
TOTAL COSTS	<u><u>\$7,057,369</u></u>

JOBS: At Application 4 Within 2 years 73 Maintained 0 Construction 67

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: J. Wentzel

STATEWIDE LOAN POOL PROGRAM

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

APPLICANT: Metro130 Equities, LLC

P31998

PROJECT USER(S): Metro Production Group, LLC *
Metro Broadcasting Services, LLC *
The Metro Group International, Inc. *
Metro Leasing Group, Inc. *

* - indicates relation to applicant

PROJECT LOCATION: 130 Commerce Road Carlstadt Borough (N) Bergen

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

APPLICANT BACKGROUND:

Metro130 Equities, LLC is a newly formed real estate holding company which will purchase and finance a 24,000 square foot industrial/warehouse facility in Carlstadt. The borrower will be owned 90% by James McGillion and 10% by John Brown. This facility will be occupied entirely by related operating entities: Metrovision Production Group, LLC, Metro Leasing Group, Inc., Metro Broadcast Services, LLC and The Metro Group International, Inc. Collectively, the Group offers complete communications and video production services including mobile production, satellite transmission, internet protocol media, live event presentation and broadcast equipment rentals.

APPROVAL REQUEST:

Approval is requested for a \$450,000 (22%) participation by the Authority in a \$2,030,000 TD Bank, N.A. mortgage loan which, when combined with applicant equity, will serve to finance the purchase of the land and building and pay for the associated closing costs of the project. Project is linked to P # 30396 which was approved 3/9/2010 for a BEIP incentive.

FINANCING SUMMARY:

LENDER: TD Bank, N.A.

AMOUNT OF LOAN: \$2,030,000 bank loan with a \$450,000 (22%) Authority participation.

TERMS OF LOAN: 1 month libor + 3% floating with a 4.5% floor or fixed rate via swap (indicative rate of 6.19% as of 7/1/2010) with rate reset and call option at end of year 10, 20 year term and amortization.

TERMS OF PARTICIPATION: Fixed at closing at the US Treasury + 1.5% (indicative rate is 3.46% as of 7/5/2010), 5-year term based on 15-year amortization.

PROJECT COSTS:

Acquisition of existing building	\$2,256,000
Finance fees	\$44,500
Legal fees	\$10,000
Engineering & architectural fees	\$5,320
Accounting fees	\$5,000
TOTAL COSTS	\$2,320,820

JOBS: At Application 0 Within 2 years 30 Maintained 0 Construction 0

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: M. Conte

LOCAL DEVELOPMENT FINANCING FUND

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

APPLICANT: 200 Hospital Plaza, Inc.

P31603

PROJECT USER(S): Various TBD

* - indicates relation to applicant

PROJECT LOCATION: 703 Main Street

Paterson City (T/UA)

Passaic

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

APPLICANT BACKGROUND:

200 Hospital Plaza, Inc. ("HP") is a not-for-profit, real estate entity formed to acquire and develop a seven level, 1,120 parking space garage with 20,419 square feet of retail space and a total facility footprint of 54,850 square feet.

HP is wholly owned subsidiary of St. Joseph's Hospital and Medical Center ("Medical Center"), founded in 1867, which operates an acute-care hospital with 651 licensed beds and 30 newborn bassinets. The Medical Center is a state-designated trauma center and provides a full range of health care services.

APPROVAL REQUEST:

The Authority has been requested to provide assistance in the form of a \$1 million loan utilizing the Local Development Financing Fund for this new development project. The other components of the project include up to \$34 million in tax-exempt issued (and guaranteed) by the Passaic County Improvement Authority (as underwritten by Citibank), a \$1 million loan from the Paterson UEZ and contributed equity from the Parent.

FINANCING SUMMARY:

LENDER: NJEDA - LDFF

AMOUNT OF LOAN: \$1,000,000

TERMS OF LOAN: Fixed at closing at 5 year US Treasury + 250 basis points (indicative rate is 4.46% as of 7/5/2010), 5 year term with 15 year amortization.

PROJECT COSTS:

Construction of new building or addition	\$33,006,000
Debt service reserve fund	\$2,655,000
Interest during construction	\$2,525,000
Operating Reserve	\$1,800,000
Engineering & architectural fees	\$1,486,000
Finance fees	\$792,000
TOTAL COSTS	\$42,264,000

JOBS: At Application 0 Within 2 years 100 Maintained 0 Construction 303

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: July 15, 2010

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

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

<u>Private Grants:</u>	
Tanya Algozzini	\$104,189
Lillian Applegate (Former Theos Auto Repair).....	\$557,561
American Tire Center Inc... ..	\$483,326
DTR Automotive	\$114,510
Harvest Outreach Ministry, Inc.	\$229,278
Linda Keyek	\$154,920
John Millikin	\$161,046
Sacred Heart Church (Convent).....	\$191,645
Sacred Heart Church (Nardiello Hall)	\$159,085
Steininger Behavioral Care Services, Inc.	\$125,122
Woman's Club of Upper Montclair	\$138,315
Total UST funding for July 2010.....	\$2,418,997

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

APPLICANT: Tanya Algozzini

P30783

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 31 Old Main Store Rd.

Barnegat Township (T)

Ocean

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

APPLICANT BACKGROUND:

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

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$104,189 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$10,419 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT\$104,189

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$104,189
NJDEP oversight cost	\$10,419
EDA administrative cost	\$250
TOTAL COSTS	\$114,858

APPROVAL OFFICER: R. Doyle

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

APPLICANT: Lillian Applegate (Former Theo's Auto Repair)

P30871

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 331 Bordentown Avenue

South Amboy City (N)

Middlesex

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

APPLICANT BACKGROUND:

Lillian Applegate, current owner of the project site and formerly operated as Theo's Auto Repair, is seeking to perform site remediation and groundwater remediation for the closure of the former four underground storage tanks (UST's) at the project site. The tanks will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$557,561 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$55,756 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\$557,561

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

PROJECT COSTS:

Site Remediation	\$557,561
NJDEP oversight cost	\$55,756
EDA administrative cost	\$500
TOTAL COSTS	\$613,817

APPROVAL OFFICER: C. Frazier

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

APPLICANT: American Tire Center Inc.

P31183

PROJECT USER(S): American Tire Center *

* - indicates relation to applicant

PROJECT LOCATION: 1040 Bordentown Road

Burlington Township (N)

Burlington

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

APPLICANT BACKGROUND:

American Tire Center Inc., owned by Mildred F. Smith and Larry E. Smith, is seeking to remove three (3) existing underground storage tanks (USTs) and perform the required remediation. The tanks will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$483,326 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$48,333 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: \$483,326

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

PROJECT COSTS:

Upgrade, Closure, Remediation	\$483,326
NJDEP oversight cost	\$48,333
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$532,159 <hr/>

APPROVAL OFFICER: R. Doyle

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

APPLICANT: DTR Automotive

P30601

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 422 Demarest Avenue

Closter Borough (N)

Bergen

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

APPLICANT BACKGROUND:

DTR Automotive, owned by Patrick O'Brien, is seeking to perform groundwater remediation for the closure of former underground storage tanks (UST's) at the project site. The tanks will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$114,510 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$11,451 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\$114,510

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

PROJECT COSTS:

Site Investigation	\$114,510
NJDEP oversight cost	\$11,451
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$126,461 <hr/>

APPROVAL OFFICER: R. Doyle

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

APPLICANT: Harvest Outreach Ministry, Inc.

P31234

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 204 21st Street

Paterson City (T/UA)

Passaic

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

APPLICANT BACKGROUND:

Harvest Outreach Ministry, Inc. is a 501(c)(3) not-for-profit organization that received a grant in November 2008 under P23307 in the amount of \$123,287 and a grant in June 2009 under P26250 in the amount of \$146,426 to remove a leaking underground storage tank (UST) and perform the required remediation. The tank was decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible, to perform additional soil remediation and groundwater investigation.

Certifications provided by the 501(c)(3) not-for-profit applicant meets the requirements for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$229,278 to perform the approved scope of work at the project site, for a total funding to date of \$497,991.

The NJDEP oversight fee of \$22,928 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT \$229,278

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

PROJECT COSTS:

Remediation	\$229,278
NJDEP oversight cost	\$22,928
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$252,706 <hr/>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Linda Keyek

P31079

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 525 Maple Avenue

Audubon Borough (N)

Camden

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

APPLICANT BACKGROUND:

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

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$154,920 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$15,492 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\$154,920

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$154,920
NJDEP oversight cost	\$15,492
EDA administrative cost	\$250
TOTAL COSTS	<hr/> \$170,662 <hr/>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: John Millikin

P31166

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 5 Orchard Street

Mendham Township (N)

Morris

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

APPLICANT BACKGROUND:

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

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

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$161,046 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$16,105 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: \$161,046

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade, Closure, Remediation	\$161,046
NJDEP oversight cost	\$16,105
EDA administrative cost	\$250
TOTAL COSTS	\$177,401

APPROVAL OFFICER: R. Doyle

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

APPLICANT: Sacred Heart Church (Convent)

P31516

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 76 Broad Street

Bloomfield Township (T/UA)

Essex

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

APPLICANT BACKGROUND:

Sacred Heart Church is a 501(c)(3) not-for-profit organization seeking to remove a leaking underground storage tank (UST) and perform the required remediation. The tank will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Certifications provided by the 501(c)(3) not-for-profit applicant meets the requirements for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$191,645 to perform the approved scope of work at the Convent project site.

The NJDEP oversight fee of \$19,165 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: \$191,645

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

PROJECT COSTS:

Upgrade, Closure, Remediation	\$191,645
NJDEP oversight cost	\$19,165
EDA administrative cost	\$500
TOTAL COSTS	<hr/> \$211,310 <hr/>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Sacred Heart Church (Nardiello Hall)

P31439

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 14 State Street

Bloomfield Township (T/UA)

Essex

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

APPLICANT BACKGROUND:

Sacred Heart Church is a 501(c)(3) not-for-profit organization seeking to remove a leaking underground storage tank (UST) and perform the required remediation. The tank will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Certifications provided by the 501(c)(3) not-for-profit applicant meets the requirements for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$159,085 to perform the approved scope of work at the Nardiello Hall project site.

The NJDEP oversight fee of \$15,909 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: \$159,085

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

PROJECT COSTS:

Upgrade, Closure, Remediation	\$159,085
NJDEP oversight cost	\$15,909
EDA administrative cost	\$500
TOTAL COSTS	\$175,494

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Steininger Behavioral Care Services, Inc.

P28860

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 19 East Ormond Avenue

Cherry Hill Township (N)

Camden

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

APPLICANT BACKGROUND:

Steininger Behavioral Care Services, Inc. is a 501(c)(3) not-for-profit organization seeking to remove a leaking underground storage tank (UST) and perform the required remediation. The tank will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Certifications provided by the 501(c)(3) not-for-profit applicant meets the requirements for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$125,122 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$12,512 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: \$125,122

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

PROJECT COSTS:

Upgrade, Closure, Remediation	\$125,122
NJDEP oversight cost	\$12,512
EDA administrative cost	\$250
TOTAL COSTS	\$137,884

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Woman's Club of Upper Montclair

P31883

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 200 Cooper Avenue

Montclair Township (T/UA)

Essex

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

APPLICANT BACKGROUND:

Woman's Club of Upper Montclair is a 501(c)(3) not-for-profit organization seeking to remove a leaking underground storage tank (UST) and perform the required remediation. The tank will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

Certifications provided by the 501(c)(3) not-for-profit applicant meets the requirements for a conditional hardship grant.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$138,315 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$13,832 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT \$138,315

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

PROJECT COSTS:

Upgrade, Closure, Remediation	\$138,315
NJDEP oversight cost	\$13,831
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$152,646</u></u>

APPROVAL OFFICER: L. Petrizzi



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 15, 2010

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

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

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

Below is a summary of the Delegated Authority approvals processed by Program Services for the period June 01, 2010 to June 30, 2010

Summary:	# of Grants	\$ Amount
Leaking tank grants awarded	97	\$1,706,253
Non-leaking tank grants awarded	151	\$436,176

Applicant	Description	Grant Amount	Awarded to Date
All Saints Episcopal Church (P31467)	Initial grant for site remediation	\$2,600	\$2,600
Aptsiauri, Ketevan (P30628)	Supplemental grant for site remediation	\$33,191	\$44,481
Austin, Annette (P30936)	Supplemental grant for site remediation	\$77,159	\$83,470
Bartman, Zuzanna (P30949)	Initial grant for upgrade, closure and remediation	\$23,030	\$23,030
Beaumier, Kathryn and John (P31023)	Initial grant for upgrade, closure and remediation	\$17,123	\$17,123
Bennet, Barbara and Hanson, Debra (P31665)	Initial grant for upgrade, closure and remediation	\$29,531	\$29,531
Bickoff, Adam (P30547)	Initial grant for upgrade, closure and remediation	\$8,565	\$8,565
Borgwarde, Inbulfa (P31367)	Initial grant for upgrade, closure and remediation	\$20,673	\$20,673
Brennecke, Anne (P30091)	Initial grant for upgrade, closure and remediation	\$21,679	\$21,679
Burke, Thomas (P30938)	Initial grant for site	\$6,233	\$6,233

Applicant	Description	Grant Amount	Awarded to Date
	remediation		
Butler, Mark and Brenda (P31143)	Initial grant for upgrade, closure and remediation	\$5,076	\$5,076
Carey, Steven (P31054)	Initial grant for upgrade, closure and remediation	\$10,064	\$10,064
Caruso, Michele (P30862)	Initial grant for site remediation	\$3,500	\$3,500
Cash, Ralph (P31060)	Initial grant for upgrade, closure and remediation	\$3,279	\$3,279
Castelli, Peter and Maria (P31019)	Initial grant for upgrade, closure and remediation	\$15,510	\$15,510
Ceccarelli, Beverly (P31039)	Initial grant for upgrade, closure and remediation	\$81,110	\$81,110
Christ's Wesleyan Church (P29781)	Initial grant for upgrade, closure and remediation	\$95,525	\$95,525
Collins, Art (P30978)	Initial grant for upgrade, closure and remediation	\$22,800	\$22,800
Cooke, John (P31518)	Initial grant for upgrade, closure and remediation	\$3,730	\$3,730
Corriden, Richard and Barbara (P31171)	Initial grant for upgrade, closure and remediation	\$3,616	\$3,616
Cox, Michael (P30565)	Initial grant for site remediation	\$3,915	\$3,915
Damiano, Daniel (P31061)	Initial grant for upgrade, closure and remediation	\$5,213	\$5,213
Dassori, Brenda (P29206)	Initial grant for site remediation	\$2,756	\$2,756
Deckmejian, Birj and Lisa (P30057)	Initial grant for upgrade, closure and remediation	\$10,110	\$10,110
Dyer, Herbert D. and Kathleen M. (P29130)	Initial grant for upgrade, closure and remediation	\$24,339	\$24,339
Edwards, Gloria (P29617)	Initial grant for upgrade, closure and remediation	\$9,734	\$9,734
Ehrhard, Timothy (P30946)	Initial grant for upgrade, closure and remediation	\$18,665	\$18,665
Fedorka, Jennifer (P29608)	Initial grant for upgrade, closure and remediation	\$21,449	\$21,449
Ferrari, John (P27508)	Initial grant for upgrade, closure and remediation	\$8,157	\$8,157
First Presbyterian Church (P30728)	Supplemental grant for site remediation	\$3,443	\$17,748
First Reformed Church of New Brunswick (P30346)	Initial grant for upgrade, closure and remediation	\$37,646	\$37,646
Fraser, Kevin and Veronica	Initial grant for upgrade,	\$36,620	\$36,620

Applicant	Description	Grant Amount	Awarded to Date
(P30898)	closure and remediation		
Gianchandani, Shyamalal (P30625)	Initial grant for upgrade, closure and remediation	\$4,600	\$4,600
Giorgianni, Tony (P30053)	Initial grant for upgrade, closure and remediation	\$5,827	\$5,827
Godfrey, Robert (P29757)	Initial grant for upgrade, closure and remediation	\$17,385	\$17,385
Goldstein, Josef (P30479)	Initial grant for upgrade, closure and remediation	\$8,289	\$8,289
Gomer, Stuart (P29680)	Initial grant for upgrade, closure and remediation	\$56,545	\$56,545
Gronau, William (P29438)	Initial grant for upgrade, closure and remediation	\$20,587	\$20,587
Gyarmati, Frank (P31087)	Initial grant for upgrade, closure and remediation	\$27,356	\$27,356
Harker, Ruth A. (P28811)	Initial grant for upgrade, closure and remediation	\$5,484	\$5,484
Heckert, Edward R. (P31042)	Initial grant for upgrade, closure and remediation	\$8,591	\$8,591
Heer, Robert (P30927)	Initial grant for upgrade, closure and remediation	\$5,285	\$5,285
Hodgman, Steve and Chris (P31070)	Initial grant for upgrade, closure and remediation	\$25,236	\$25,236
Hoehn, Charles (P31108)	Initial grant for upgrade, closure and remediation	\$18,848	\$18,848
Howard, Cristal (P31332)	Initial grant for upgrade, closure and remediation	\$29,627	\$29,627
Hughes, Noel (P31075)	Initial grant for upgrade, closure and remediation	\$50,656	\$50,656
Hughes, Sandi (P31058)	Initial grant for upgrade, closure and remediation	\$23,917	\$23,917
Hutchins, John (P31052)	Initial grant for upgrade, closure and remediation	\$5,215	\$5,215
Jackson, John (P31028)	Initial grant for upgrade, closure and remediation	\$13,869	\$13,869
Johnson, Edward (P29678)	Initial grant for upgrade, closure and remediation	\$31,373	\$31,373
Johnson, Susan (P31022)	Initial grant for upgrade, closure and remediation	\$14,870	\$14,870
Jordan, Jeanne (P31029)	Initial grant for upgrade, closure and remediation	\$35,579	\$35,579
Karcher, John F., Jr. (P30903)	Initial grant for upgrade, closure and remediation	\$4,620	\$4,620
Kozelnik, Daniel and	Initial grant for upgrade,	\$36,298	\$36,298

Applicant	Description	Grant Amount	Awarded to Date
Patricia (P31190)	closure and remediation		
Lashomb, James and Patricia (P31168)	Partial initial grant for upgrade, closure and remediation	\$4,440	\$4,440
Lasker, Tillie (P30777)	Initial grant for upgrade, closure and remediation	\$10,314	\$10,314
Long, Roy (P31354)	Initial grant for upgrade, closure and remediation	\$11,297	\$11,297
Loreng, Elizabeth (P30076)	Initial grant for upgrade, closure and remediation	\$9,699	\$9,699
Malfatto, Frank and Grace (P31371)	Initial grant for upgrade, closure and remediation	\$4,416	\$4,416
Marmino, Paul and Sue (P30573)	Partial initial grant for upgrade, closure and remediation	\$820	\$820
Michalewski, Eugene (P31057)	Initial grant for upgrade, closure and remediation	\$16,506	\$16,506
Miloc, Lucy (P31289)	Initial grant for upgrade, closure and remediation	\$17,681	\$17,681
Moskovits, Joseph and Rivi (P29269)	Initial grant for site remediation	\$18,063	\$18,063
Oliva, Rita (P30965)	Initial grant for upgrade, closure and remediation	\$4,580	\$4,580
Patterson, Loraine (P30997)	Initial grant for upgrade, closure and remediation	\$15,850	\$15,850
Perez, Tisha (P30647)	Initial grant for upgrade, closure and remediation	\$14,357	\$14,357
Porretta, Thomas (P31104)	Initial grant for upgrade, closure and remediation	\$12,593	\$12,593
Preiss, Walter (P29606)	Initial grant for upgrade, closure and remediation	\$4,284	\$4,284
Pulaski, Joanne (P30781)	Initial grant for upgrade, closure and remediation	\$6,763	\$6,763
Raskulinecz, Eileen and William Larkin (P28790)	Initial grant for site remediation	\$12,467	\$12,467
Richards, Betty J. (P31634)	Initial grant for upgrade, closure and remediation	\$4,702	\$4,702
Robert J. Reilly (P30615)	Initial grant for site remediation	\$10,184	\$10,184
Sandor, Vaughn (P30026)	Initial grant for upgrade, closure and remediation	\$45,843	\$45,843
Simms, Edna (P30061)	Initial grant for upgrade, closure and remediation	\$23,685	\$23,685
Simonelli, Victor and Kathy (P28820)	Initial grant for upgrade, closure and remediation	\$12,257	\$12,257
Smith, Bennett (P30772)	Initial grant for upgrade,	\$11,532	\$11,532

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Sund, Steven (P30992)	Initial grant for upgrade, closure and remediation	\$24,569	\$24,569
Sydney, Terry (P31355)	Initial grant for upgrade, closure and remediation	\$14,592	\$14,592
Tartaglia, Daniel and Kimberly (P29603)	Initial grant for upgrade, closure and remediation	\$7,709	\$7,709
Toman, John (P30934)	Initial grant for upgrade, closure and remediation	\$15,675	\$15,675
Uddin, Mohammed Helal (P30961)	Initial grant for upgrade, closure and remediation	\$6,303	\$6,303
Urban, Jr., Robert C. (P31037)	Initial grant for upgrade, closure and remediation	\$1,400	\$1,400
Valencia, German (P30600)	Initial grant for upgrade, closure and remediation	\$14,353	\$14,353
Valette, Nicole (P31093)	Initial grant for upgrade, closure and remediation	\$4,352	\$4,352
Van Hise, Joann (P30040)	Initial grant for upgrade, closure and remediation	\$5,517	\$5,517
Vivinetto, Bette (P30027)	Initial grant for upgrade, closure and remediation	\$13,354	\$13,354
Waldrop, Joseph (P31109)	Initial grant for upgrade, closure and remediation	\$15,718	\$15,718
Washington, Mack and Lorraine (P31654)	Partial initial grant for upgrade, closure and remediation	\$4,801	\$4,801
Wertz, Fred and Joyce (P31311)	Partial initial grant for upgrade, closure and remediation	\$3,256	\$3,256
Wilkinson, Helen (P31353)	Initial grant for upgrade, closure and remediation	\$18,697	\$18,697
Williams, Rita (P30809)	Initial grant for upgrade, closure and remediation	\$36,666	\$36,666
Witkowski, Roman and Teresa (P30023)	Supplemental grant for site remediation	\$20,361	\$31,491
Wolfe, Joseph (P31358)	Initial grant for upgrade, closure and remediation	\$55,214	\$55,214
Worrall, Peter and Patricia (P29615)	Initial grant for upgrade, closure and remediation	\$36,079	\$36,079
Zarenkiewicz, Paul (P31172)	Initial grant for upgrade, closure and remediation	\$5,673	\$5,673
Zeng, Leonard (P29732)	Initial grant for upgrade, closure and remediation	\$5,008	\$5,008
Zion Lutheran Church of Oldwick (P25600)	Initial grant for upgrade, closure and remediation	\$8,525	\$8,525

Applicant	Description	Grant Amount	Awarded to Date
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97 Grants

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

\$1,706,253

Abel, Thomas (P31222)	Grant to remove an underground storage tank	\$1,500	\$1,500
Adam, Edith (P31490)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Adams, John A. and Theresa M. (P31727)	Grant to remove an underground storage tank	\$1,500	\$1,500
Alberti, John and Gail (P30758)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Allen, Lorraine M. (P30723)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,382	\$3,382
Andico, Palma (P30989)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,600	\$2,600
Angster, Walter and Toni (P31819)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,566	\$3,566
Arinze, Orakwue (P30399)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Arlington, Dave and Cathleen (P31449)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Balaisius, Joanne (P31762)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,200	\$2,200
Baran, Mark and Tracey (P31220)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Bayous, Mark and Diane (P30984)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,243	\$3,243
Beadling, Brian and Jennifer (P30930)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,677	\$2,677
Bigos, John and Mary Elyn (P31598)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,200	\$3,200
Bioletti, Robert and Jane	Grant to remove an underground	\$3,000	\$3,000

Applicant	Description	Grant Amount	Awarded to Date
(P29840)	storage tank and install an above ground storage tank		
Bourtilette, Joan (P29929)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,198	\$3,198
Brennan, Jeanne (P30010)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Brett, Thomas and Colleen (P30988)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Burton, Brooks and Amy (P31547)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Butler, Linda and Robert (P31381)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,485	\$3,485
Camburn, Patricia (P30909)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,303	\$3,303
Carey, Terrence S. (P29927)	Grant to remove an underground storage tank	\$1,300	\$1,300
Carnes, Jennifer and Jamison (P29779)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Castells, Catalina (P30843)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Caulwell, John P. and Sandra F. (P31631)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,800	\$4,800
Chipelo, Paul and Anna Amabile-Chipelo (P31338)	Grant to remove an underground storage tank	\$1,200	\$1,200
Chmiel, Jozef and Cecvlia (P31133)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Cimmino, Rene (P31828)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,119	\$3,119
Cramer, Allen F. and Kyle M. (P31297)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Cruise, Rose Ann (P31582)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Damato, Michael and Willow (P30220)	Partial grant to remove an underground storage tank and	\$1,973	\$1,973

Applicant	Description	Grant Amount	Awarded to Date
	install an above ground storage tank		
Davis, James M. and Patricia A. (P31304)	Partial grant to remove an underground storage tank	\$600	\$600
Davis, Jeffrey A. and Deah S. (P31442)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,628	\$3,628
DeCristoforo, Mark S. (P31581)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
DeLeasa, David and Sherry (P30981)	Grant to remove an underground storage tank	\$1,500	\$1,500
DeVico, Nicholas (P29998)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,900	\$2,900
DiMedio, Michael and Marcia (P31795)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,163	\$3,163
Durasoff, Dennis A. and Amanda G. (P31116)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Edwards, Kevin S. and Susan M. (P31693)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Faraj, Daniel and Elizabeth (P30653)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,600	\$2,600
Farrell, James J. and Carol A. (P30484)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,600	\$4,600
Feldman, Richard and Barbara (P30722)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,988	\$2,988
Fiorentino, Susanna (P30983)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Florey, John and Kristy (P30593)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,467	\$3,467
Fox, Barry (P31904)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Friedman, Moshe and Sara (P29786)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Gallo, Joseph and Nancy (P31479)	Grant to remove an underground storage tank and install an above	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Gaykowski, Lisa J. (P31497)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Geary, Richard E. and Jacqueline M. (P30874)	Grant to remove an underground storage tank and install an above ground storage tank	\$6,000	\$6,000
Geffke, Julie (P31386)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Giordano, David and JoAnn (P31447)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,200	\$3,200
Granzen, Susan and Mark (P31292)	Grant to remove an underground storage tank	\$1,200	\$1,200
Gruca-Curtis, Joan E. (P31504)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Harrod, David M. and Lorraine F. (P31498)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,379	\$3,379
Henderson, Roy and Betty (P31215)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,073	\$3,073
Hill, Anne (P31664)	Grant to remove an underground storage tank	\$1,200	\$1,200
Hill, Thelma (P31201)	Grant to remove an underground storage tank	\$1,200	\$1,200
Hines, Maxine (P30859)	Grant to remove an underground storage tank	\$1,200	\$1,200
Hitchner, Lee and Karen (P31580)	Grant to remove an underground storagetank and install an above ground storage tank	\$3,017	\$3,017
Hoberman, Zev (P30197)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Howansky, Glenn D. and Ramona L. (P30462)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,298	\$3,298
Humen, Daniel (P31260)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Jacquier, Kevin and Evelyn (P31404)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,485	\$3,485
Kapuscinski, Richard J. and	Grant to remove an underground	\$3,185	\$3,185

Applicant	Description	Grant Amount	Awarded to Date
Audrey J. (P31429)	storage tank and install an above ground storage tank		
Kelsey, Joseph J. and Anna M. (P31441)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,288	\$3,288
Kleinkaufman, Shaindy and Yossi (P31426)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
LaManna, Jr., Ralph R. (P31418)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,250	\$4,250
LaSala, Vita Marie and Martin Beekman, Jr. (P31552)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Langeron, Dimitri A and Irina A. (P31690)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Lee, Yong Jae and Megan Joi Penick (P30526)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,942	\$2,942
Lesch, Joe and Tammy (P31195)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
LoCicero, Eleanor (P31604)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,903	\$3,903
Lusardi, Joseph, Jr. and Joann (P30836)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Lynch, Eugene Jr. and Donna (P31113)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,288	\$3,288
Lynch, Kathleen (P29809)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,857	\$2,857
MacLean, Steven (P30149)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,252	\$3,252
Maciejewski, Mirosław and Barbara (P31963)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,185	\$3,185
Magrini, Michael A. and Danielle (P30850)	Grant to remove an underground storage tank	\$1,500	\$1,500
Mahon, Frances Virginia (P28650)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,980	\$2,980
Maiorano, Susan (P31438)	Grant to remove an underground	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
	storage tank and install an above ground storage tank		
Marquard, William and Susan (P31376)	Grant to remove an underground storage tank	\$1,500	\$1,500
Maxson, Walter C., Sr. (P30648)	Grant to remove an underground storage tank	\$1,350	\$1,350
McClintic, Frank J. and Penny R. (P31468)	Grant to remove an underground storage tank	\$2,100	\$2,100
McManus, Lisa (P31139)	Grant to remove an underground storage tank	\$1,200	\$1,200
Menosky, Michael and Pamela (P29923)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Meyer, Lewis R. and Christine (P31790)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,600	\$2,600
Meyler, Jennifer and Richard (P30734)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,400	\$2,400
Miller, John C. (P30092)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Miller, Joyce (P30214)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,288	\$3,288
Miller, Lawrence K. and Lisa Susan (P30702)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,637	\$3,637
Mills, Janice C. and Ronald M. (P31505)	Grant to remove an underground storage tank	\$1,500	\$1,500
Montone, Jr., Leonard and Joyce (P31221)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Moroz, Carol A. and Michael J. (P30206)	Grant to remove an underground storage tank	\$1,200	\$1,200
Mouro, Ana (P31459)	Grant to remove an underground storage tank	\$1,200	\$1,200
Murphy, John J. (P31122)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,100	\$3,100
Murphy, Mark and Anne M. Anselmo (P31508)	Grant to remove an underground storage tank	\$1,200	\$1,200
Nasuto, Barbara A. (P30450)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
Negrey, David M. (P31451)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,351	\$3,351
Nicholson, Leslie A. and Joann (P31460)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,875	\$3,875
O'Sullivan, Patrick Kevin and Marianne L. (P31205)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Obrenski, Arthur R. and Dorothy L. (P31126)	Grant to remove an underground storage tank	\$1,200	\$1,200
Ostrowski, Bruce E. and Joann E. (P31424)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,400	\$3,400
Ozaydin, Tamer (P31015)	Grant to remove an underground storage tank	\$1,500	\$1,500
Papke, Rita (P31161)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,730	\$2,730
Papoters, Rafael C. (P31907)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Paulera, Elizabeth A. (P30699)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,577	\$2,577
Perdoni, Mark A. and Louisa N. (P30367)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,753	\$3,753
Petrillo, Frank W. and Shannon E. (P31396)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Pierce, E. Barbara and J. Richard (P30749)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Pimenta, Sean and Auria Dsouza (P30167)	Grant to remove an underground storage tank	\$1,373	\$1,373
Piorkowski, Mary M. (P30358)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Polhemus, Rose Mary (P30560)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,400	\$3,400
Polomski, Joseph and Karen (P31888)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,390	\$4,390
Porro, Robert P. and Loraine Gore (P31012)	Grant to remove an underground storage tank and install an above	\$3,120	\$3,120

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Pratt, Theresa (P31594)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,664	\$2,664
Preiss, Thomas and Susan (P30661)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Quinones, Leonardo and Michele (P31535)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,395	\$3,395
Rigstad, Dennis and Dorothy (P31403)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,706	\$1,706
Ross, Matthew E. and Cathy M. (P31118)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,947	\$2,947
Rossi, Joseph M. and Heidi E. (P30659)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Rule, Bruce and Pamela (P31241)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Rupp, Edward W. and Kathleen V. (P30694)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,649	\$3,649
Schofield, Jr., Edwin J. (P30883)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,147	\$3,147
Schubkegel, Margaret and Keith (P30153)	Grant to remove an underground storage tank	\$1,200	\$1,200
Selfridge, Robert J. and Margery (P30646)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,972	\$1,972
Shea, Jeanmarie and Daniel P. (P28237)	Grant to remove an underground storage tank	\$1,200	\$1,200
Siao, Jr., Tonga L. and Fe (P31735)	Grant to remove an underground storage tank	\$2,100	\$2,100
Slater, Diane and Daniel (P30096)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Smith, Daniel and Carol (P30155)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Smith, Derek and Lisa (P31514)	Grant to remove an underground storage tank	\$1,500	\$1,500

Applicant	Description	Grant Amount	Awarded to Date
Song, Byung M. and Hwa Im (P31714)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,270	\$3,270
Sorino, Alfred (P29889)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,400	\$2,400
Stapleton, Hugh (P29333)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,500	\$2,500
Struble, Janet (P30036)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,389	\$2,389
Suarez-Rodriguez, Norma L. (P30839)	Grant to remove an underground storage tank	\$1,200	\$1,200
Sulpizi, Gino (P31110)	Grant to remove an underground storage tank	\$1,500	\$1,500
Szotak, Ronald and Sonia (P30656)	Grant to remove an underground storage tank	\$1,500	\$1,500
Trapasso, Thomas and Kerri (P30750)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Van Etten, James G. and Mary T. (P30875)	Grant to remove an underground storage tank	\$1,500	\$1,500
Van Sprang, Richard A. and Karen A. (P31596)	Grant to remove an underground storage tank	\$1,308	\$1,308
Vanhorn, James and Rudy (P31385)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,864	\$4,864
Vaughn, Shirley (P31575)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,187	\$3,187
Voss, Janine (P31633)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Weglowski, Victor A. and Gail M. (P29989)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Wickenheisser, Joanne (P31084)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Williams, Emily Anne and Aldred A. (P31755)	Grant to remove an underground storage tank	\$1,500	\$1,500
Williams, Michael and Anastasia (P30483)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
Wirth, Susan (P29903)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Wood, George S. and Lorraine (P30888)	Grant to remove an underground storage tank	\$1,250	\$1,250
Woodworth, Liya (P30439)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,250	\$3,250
Zagarino, Anthony J and Arlene D (P31985)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,460	\$3,460

151 Grants

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

\$436,176

Caren S. Franzini

Prepared by: Lisa Petrizzi, Finance Officer

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: July 15, 2010
SUBJECT: Hazardous Discharge Site Remediation Fund Program

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

Municipal Grants:

Camden Redevelopment Agency (Sears Tire and Battery).....	\$115,495
Township of Haddon (Lahn Property)	\$124,928
City of Perth Amboy (DPW and Former Landfill).....	\$493,340

Private Grants:

Turkey Hill Realty Corporation (Former Martell Swine Farm).....	\$103,311
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Private Loan:

Betty and Gerald Duncan and Campus Classics.....	\$ 76,170
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Total HDSRF funding for July 2010.....\$913,244

Prepared by: Lisa Petrizzi

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

APPLICANT: Camden Redevelopment Agency (Sears Tire and Battery) P31427
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 1350 Admiral Wilson Boulevard Camden City (T/UA) Camden
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Camden Redevelopment Agency received a grant in the amount of \$183,293 in August 2008 under P21145 to perform a Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI). The project site, identified as Block 1464, Lots 4 and 5 is a gasoline service station which is currently vacant and has potential environmental areas of concern (AOC's). The Camden Redevelopment Agency currently owns the project site and has satisfied Proof of Site Control. It is the CRA's intent, upon completion of the environmental investigation activities, to redevelop the project site for commercial use.

NJDEP has approved this supplemental request for 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 CRA is requesting supplemental grant funding to perform RI in the amount of \$115,495 at the Sears Tire and Battery project site, for a total funding to date of \$298,788.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT \$115,495

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$115,495
EDA administrative cost	\$500
TOTAL COSTS	<u>\$115,995</u>

APPROVAL OFFICER: L. Petrizzi

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

APPLICANT: Township of Haddon (Lahn Property)

P31232

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 209 Highland Ave.

Haddon Township (N)

Camden

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

APPLICANT BACKGROUND:

Township of Haddon, Lahn Property, received funding in October 2008 under P22326 in the amount of \$259,636 to perform Preliminary Assessment and January 2009 under P25576 for Remedial Investigation in the amount of \$143,754. The project site identified as Block 21.05, Lots 43-47 is a residential and commercial property is located in a Brownfield Development Area (BDA) and has potential environmental areas of concern (AOC's). The Township of Haddon currently owns the project site and has satisfied Proof of Site Control. It is the Township of Haddon's intent, upon completion of the environmental investigation activities, to redevelop the project site for residential re-use.

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects within a BDA. The grant has been calculated off 75% of the RA costs (\$166,570)

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

APPROVAL REQUEST:

The Township of Haddon is requesting grant funding to perform (RA) in the amount of \$124,928 at the Lahn Property project site, for a total funding to date of \$528,318.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$124,928

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$124,928
EDA administrative cost	\$500
TOTAL COSTS	\$125,428

APPROVAL OFFICER: K. Junghans

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

APPLICANT: City of Perth Amboy (DPW and Former Landfill)

P31140

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 599 Fayette Avenue

Perth Amboy City (T/UA)

Middlesex

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

APPLICANT BACKGROUND:

The project site, identified as Blocks 93, 95 and 96, Lots 1.03, 1 and 1 is a former municipal landfill, incinerator, municipal light plant electric generating facility and more recently was utilized by the City for mixed use. The site has potential environmental areas of concern (AOC's). The City of Perth Amboy owns the project site and has satisfied Proof of Site Control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed retail and open space/recreation.

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

APPROVAL REQUEST:

The City of Perth Amboy is requesting grant funding to perform PA, SI and RI in the amount of \$493,340 at the Department of Public Works and former Landfill project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$493,340

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Site investigation	\$242,174
Remedial investigation	\$242,173
Preliminary assessment	\$8,993
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$493,840</u></u>

APPROVAL OFFICER: C. Frazier

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

APPLICANT: Turkey Hill Realty Corporation (Former Martell Swine Farm) P31137
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 1327 Caufield Avenue Deptford Township (T) Gloucester
GOVERNOR'S INITIATIVES: () Urban () Edison (X) Core () Clean Energy

APPLICANT BACKGROUND:

The applicant has received numerous previous grants to perform extensive remedial investigation and groundwater monitoring. The applicant received grants in August 2000, in the amount of \$211,585 under P12476; in March 2002, in the amount of \$135,000 under P14001; in June 2004, in the amount of \$56,820 under P14001s; in December 2004, in the amount of \$59,818 under P16150 and in February 2007, in the amount of \$91,752 under P17954. The current scope of work involves remedial activities which include the continued operation of the groundwater remediation and treatment system, monitoring and reporting.

The NJDEP Bureau of Case Management has found the applicant's current proposal for financial assistance to be administratively and technically complete and has approved funding to be provided in the form of a Hazardous Discharge Site Remediation Innocent Party Grant under N.J.S.A. 58:10B-Subsection 4, Series A.

This Innocent Party Grant has been calculated off 50% of the approved remedial action project costs of \$206,621.

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of \$103,311 to perform the approved scope of work at the project site, for a total funding to date of \$658,286.

The NJDEP oversight fee of \$10,331 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: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$103,311 (50% Innocent Party Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$206,621
NJDEP oversight cost	\$10,331
EDA administrative cost	\$500
TOTAL COSTS	\$217,452

APPROVAL OFFICER: C. Frazier

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

APPLICANT: Betty and Gerald Duncan and Campus Classics

P31683

PROJECT USER(S): K-Roc Properties

* - indicates relation to applicant

PROJECT LOCATION: 3019 Marne Highway

Mount Laurel Township (N)

Burlington

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

APPLICANT BACKGROUND:

Gerald and Betty Duncan own the property located at 3019 Marne Highway, Mount Laurel, Burlington County, NJ. The Duncan's operated their business, Campus Classics, at this location until May 2008, when the property was leased to K-Roc Properties, LLC. There is a contract of sale to K-Roc Properties, LLC and once a No Further Action letter is received from the DEP, the sale will occur. The current monthly rent payment of \$3,000 includes \$1,200 toward the purchase price of the property.

APPROVAL REQUEST:

Approve a \$76,170 term loan under the Hazardous Discharge Site Remediation Fund program based on adequate cash flow, the financial condition of Mr. and Mrs. Duncan and the existing contract of sale for the property.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: \$76,170

TERMS OF LOAN: 3-Year Term or due upon sale of property
Fixed Rate of the Federal Discount Rate, with a floor of 5%.
Interest only

PROJECT COSTS:

Remedial Action	\$76,170
Finance fees	\$1,575
TOTAL COSTS	\$77,745

APPROVAL OFFICER: J. Wentzel



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

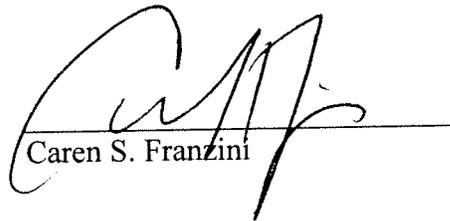
DATE: July 15, 2010

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 June 2010.

Applicant	Description	Grant	Awarded to Date
Hetfield Associates, LLC P30713	Initial Innocent Party Grant to perform remedial investigation	\$63,439	\$43,439
Petro Plastics Company P27913	Initial Innocent Party Grant to perform remedial investigation	\$27,588	\$27,588
Township of Woodbridge (34 Cutters Dock Rd) P30943	Supplemental grant to perform site investigation to redevelop for industrial use	\$99,312	\$103,327
3 Grants	Total Grant Funding for June 2010	\$190,339	


 Caren S. Franzini

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

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

APPLICANT: Archimedes Pharma US Inc.

P32033

PROJECT LOCATION:TBD

Locations Unknown (N) Unknown County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Archimedes Pharma US Inc. is the recently formed U.S. subsidiary of Archimedes Pharma Ltd., a United Kingdom based specialty biopharmaceutical concern. The parent company, formed in 2004, markets and sells an expanding portfolio of pharmaceutical products focused on pain medication for cancer patients, Parkinson's disease and critical care to hospital-based prescribers in France, Germany, Ireland, and Spain. On June 25, 2010, Archimedes Pharma Ltd announced that PecFent® , a proprietary technology to deliver a nasal mist for the breakthrough of pain in cancer patients, received a Positive Opinion from the Committee for Human Medicinal Products, of the European Medicines Agency and awaits comment from the US FDA. Management expects approval in both markets in 2010. In addition, Archimedes has a patent on PecSys(tm), a drug delivery system designed to maximize the potential of systematically absorbed drugs and improving patient acceptance. In March 2010, the applicant announced receiving approximately \$100 million in new funding. The round was led by new investor Novo Growth Equity, the growth equity fund of Novo A/S, and included participation by major current investor, Warburg Pincus, a global private equity firm. Archimedes also announced the appointment of a new President and Chief Executive Officer, Jeffrey H. Buchalter, formerly President and Chief Executive Officer of US-based Enzon. The applicant is economically viable.

MATERIAL FACTOR:

The applicant is seeking a BEIP grant to support creating a U.S. presence by hiring 75 executive level positions in New Jersey. Also under consideration is nearby Langhorne, Pa. Management is estimating project costs will be in the \$350,000 range. The company has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to locate in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 40%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Archimedes Pharma US 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: \$ 2,142,000
 (not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 4

ELIGIBLE BEIP JOBS: Year 1 50 Year 2 25 Base Years Total = 75

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$28,560

ANTICIPATED AVERAGE WAGES: \$150,000

ESTIMATED PROJECT COSTS: \$350,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$5,355,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$5,890,500

PROJECT IS: () Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

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

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	75	2
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	0	0
4. Industry:	Biotechnology	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$350,000	0
7. Average Wage:	\$ 150,000	4

TOTAL: **10**

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:	10 = 35 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	40 %

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

APPLICANT: Aricent US Inc., DataLinx Corp & Affiliates

P32169

PROJECT LOCATION: One Tower Center

East Brunswick Township Middlesex County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Aricent US Inc. is the main operating US subsidiary of Aricent Inc. (Cayman Islands). In 2008, Aricent Inc. completed the acquisition of DataLinx Corporation, a Tarrytown, NY based telecommunications services provider. Aricent's current headquarters is in Palo Alto, California with a significant base of operations in Tarrytown, New York, among other locations in the US, and around the globe.

Aricent provides communications software and related services for the communications industry as its software engineering technology and services focuses exclusively on communications. To this end, the company provides middleware, consumer and enterprise applications, network management, service provisioning, and billing mediation for equipment manufacturers, network management and protocol device manufacturers, and multimedia codec service providers. Aricent products support the development of mobile devices and applications, wireless and wireline infrastructure, and carrier operational and business systems, and count nine of the ten largest global service providers and eight of the top ten mobile handset manufacturers as customers.

Being one of the largest privately-held companies in Silicon Valley, Aricent has over 100 licensable products, over 800 customers, over 9,500 employees and over 30 offices worldwide. The Aricent group (actually its predecessor) was originally established in 1991 in India, and in 2001, it was acquired by Singapore-based Flextronics International Ltd. It was sold to a group of private investors in 2006, and during the last 19 years, it expanded and went through a series of mergers and acquisitions, name changes, re-incorporations, and relocations. This private company's investors include Kohlberg Kravis Roberts & Co., Sequoia Capital, The Family Office, The Canadian Pension Plan Investment Board, and Delta Partners. A review of the financial statements indicate economic viability.

Aricent US Inc. is considering a corporate consolidation and project site relocation. The plan of corporate consolidation entails possible closing of the Tarrytown, NY site and the relocation of some of the Silicon Valley operations to New Jersey provided they are attracted by the State of New Jersey. According to the Applicant, incentives for relocation/consolidation from the State would be one of the major consideration points in their strategic corporate restructuring and relocation decision.

MATERIAL FACTOR:

The Applicant is seeking a BEIP grant to support creating or bringing in 100 high paying positions (non-retail) to New Jersey. The company has represented that a favorable decision by the Authority to award the BEIP grant is an inducement in the Applicant's decision to go forward with the project (which is to relocate to and expand within New Jersey instead of remaining and expanding out of the State, i.e., New York or California). The Authority staff recommends the award of the proposed BEIP grant.

APPROVAL REQUEST:

PERCENTAGE: 60%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Aricent US Inc., DataLinx Corp & 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: \$ 2,377,636

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

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 100 Year 2 0 Base Years Total = 100

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$23,776

ANTICIPATED AVERAGE WAGES: \$101,492

ESTIMATED PROJECT COSTS: \$1,600,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$3,962,726

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$3,566,453

PROJECT IS: () Expansion (X) Relocation NYS and CA

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: California

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: D. Sucsuz

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	East Brunswick Township	N/A
2. Job Creation	100	2
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	0	0
4. Industry:	Electronic device technology	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$1,600,000	1
7. Average Wage:	\$ 101,492	4
TOTAL:		11

Bonus Increases (up to 80%):

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

Total Bonus Points: **20 %**

Total Score :

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

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

APPLICANT: Futurewei Technologies, Inc.

P32061

PROJECT LOCATION: To be determined

Locations Unknown (N) Unknown County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Futurewei Technologies, Inc. ("FTI") engages in the research and development, production, sales, and marketing of wireless and wire line networking and telecommunications equipment. FTI provides enterprise network solutions, including video conferencing and networking solutions. FTI is a wholly owned subsidiary of Huawei Technologies, established 1998 in Shenzhen China, with a US headquarter in Texas. Huawei is a leading telecom solutions provider with its products and solutions deployed in over 100 countries and has served 45 of the world's top 50 telecom operators. FTI is currently located in Bridgewater, NJ with 35 employees. The Company is economically viable.

MATERIAL FACTOR:

Futurewei Technologies, Inc. requests a BEIP grant to offset the costs of expanding and relocating its NJ operations. The business is rapidly expanding and they expect to add an additional 90 employees to this region. The Company is searching for approximately 35,000 to 45,000 sq. ft. to accommodate this growth and are considering leasing opportunities in the Bridgewater NJ area and the Philadelphia PA area. If the applicant finalizes a location in NJ, depending on smart growth criteria, the BEIP score may increase to as high as 80% with an estimated value of \$2,311,200. The Company has indicated the BEIP grant is a material factor to expand in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 45%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Futurewei Technologies, 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: \$ 1,300,050

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

NJ EMPLOYMENT AT APPLICATION: 35

ELIGIBLE BEIP JOBS: Year 1 45 Year 2 45 Base Years Total = 90

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$14,445

ANTICIPATED AVERAGE WAGES: \$90,000

ESTIMATED PROJECT COSTS: \$850,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$2,889,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$3,033,450

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: Texas

APPLICANT OWNERSHIP: () Domestic (X) Foreign China

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: T. Wells

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Locations Unknown	N/A
2. Job Creation 90	2
Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk: 35	1
4. Industry: Electronic device technology	2
Designated : <u> X </u> Non-Designated : _____	
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$850,000	1
7. Average Wage: \$ 90,000	4

TOTAL: **12**

Bonus Increases (up to 80%):

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

Total Bonus Points:

0 %

Total Score :

Total Score per formula:	12 = 40 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	45 %

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

APPLICANT: Hilliard Farber & Co., Inc

P32202

PROJECT LOCATION: 2200 Plaza Five

Jersey City (T/UA)

Hudson County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Based in New York, New York and founded in 1975, Hilliard Farber & Co., Inc. ("Applicant") is a boutique inter-dealer brokerage firm that specializes in mortgage-backed and other U.S. securities (mainly US fixed income). In 2008, it was acquired by the TradeWeb Group of Companies.

As a broker of brokers, Hilliard Farber & Co., Inc. offers voice trading, electronic real-time trading, transaction processing, clearing services, and other brokerage services. Over the years, Hilliard Farber & Co., Inc. has developed an extensive network of relationships, dealer connections, and expertise in the U.S. markets.

TradeWeb Markets LLC (f/k/a TradeWeb Group LLC) is a part of the TradeWeb Group of Companies that also includes the Applicant. The TradeWeb Group of Companies is owned by Thomson Reuters Corporation, a leading source of intelligent information for businesses and professionals, and a consortium of 10 leading global dealers (through an entity called Nexus LLC). TradeWeb is a leading provider of online markets and a pioneer in the development of electronic trading and trade processing. In 2001, TradeWeb Markets LLC (then called TradeWeb Group LLC) received a BEIP grant (P13778), and that grant is currently active and in good standing. A review of the financial statements indicate economic viability.

According to the Applicant, the Applicant is about to make a strategic project site decision: whether to remain in Lower Manhattan (with no additional fit-out and electronic trading network and equipment cost) or to move to Jersey City (with significant fit-out, electronic infrastructure/network and equipment cost), where its affiliate is currently located.

MATERIAL FACTOR:

The Applicant is seeking a BEIP grant to support creating or bringing in 120 high paying positions (non-retail) to New Jersey. The company has represented that a favorable decision by the Authority to award the BEIP grant is an inducement in the Applicant's decision to go forward with the project (which is to relocate to and expand within New Jersey instead of remaining and expanding out of the State, i.e., New York). The Authority staff recommends the award of the proposed BEIP grant.

APPROVAL REQUEST:

PERCENTAGE: 80%

TERM: 4 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Hilliard Farber & Co., 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: \$ 5,429,760

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

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 105 Year 2 15 Base Years Total = 120

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$45,248

ANTICIPATED AVERAGE WAGES: \$250,000

ESTIMATED PROJECT COSTS: \$3,585,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 4 \$6,787,200

ESTIMATED NET NEW STATE INCOME TAX - DURING 6 \$4,751,040

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

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: Minnesota

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: D. Sucsuz

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Jersey City	N/A
2. Job Creation	120	2
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	Financial services	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$3,585,000	2
7. Average Wage:	\$ 250,000	4
TOTAL:		12

Bonus Increases (up to 80%):

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

Total Bonus Points: **55 %**

Total Score :

Total Score per formula:	12 = 40 %
Construction/Renovation :	5 %
Bonus Increases :	55 %
Total Score (not to exceed 80 %):	80 %

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

APPLICANT: Procura Management Inc.

P31917

PROJECT LOCATION: 6 Commerce Drive Cranford Township (N) Union County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Procura Management Inc. ("Procura"), founded in 1989, is a subsidiary of Healthcare Solutions Inc. Through its affiliated companies, Healthcare Solutions serves as a health services company delivering integrated solutions to the property and casualty markets, specializing in worker's compensation, auto liability, and personal injury protection. Procura's clients include auto insurance carriers, third party administrators (TPAs), and managed care organizations (MCOs). Procura's corporate headquarters is in Norristown, Pennsylvania and the company currently has an office in Cranford, New Jersey. The company is economically viable.

MATERIAL FACTOR:

Procura is at capacity at its headquarters in Norristown as well as its current New Jersey office located in Cranford. Procura's business is expanding and the company will need additional space in order to keep up with the staffing needs of its growth strategy. Procura is considering leasing a 10,500 sq ft facility at a new location in Cranford, moving the existing NJ employees as well as creating 41 new positions over the next two years. Also under consideration is expanding operations in Norristown and creating the 41 new positions in PA.

APPROVAL REQUEST:

PERCENTAGE: 45%

TERM: 5 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Procura Management 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: \$ 150,561

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

NJ EMPLOYMENT AT APPLICATION: 20

ELIGIBLE BEIP JOBS: Year 1 35 Year 2 6 Base Years Total = 41

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$3,672

ANTICIPATED AVERAGE WAGES: \$60,900

ESTIMATED PROJECT COSTS: \$120,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 5 \$334,580

ESTIMATED NET NEW STATE INCOME TAX - DURING 7.50 \$351,310

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: () Yes (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: Pennsylvania

APPLICANT OWNERSHIP:(X) Domestic () Foreign

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: K. McCullough

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Cranford Township	N/A
2. Job Creation 41 Targeted : _____ Non-Targeted : <u> X </u>	1
3. Job at Risk: 0	0
4. Industry: finance, insurance & real estate Designated : _____ Non-Designated : <u> X </u>	0
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$120,000	0
7. Average Wage: \$ 60,900	3
TOTAL:	6

Bonus Increases (up to 80%):

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

Total Bonus Points:

20 %

Total Score :

Total Score per formula:	6 = 25 %
Construction/Renovation :	0 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	45 %

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

APPLICANT: Solar Nation Inc. and affiliates.

P32118

PROJECT LOCATION: To Be Determined

Locations Unknown (N)

Unknown County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Solar Nation Inc. (SN), formed in 2008, with corporate headquarters in Oregon, is a full-service design/engineer/build solar-energy-systems and solutions provider serving commercial business, government, and non-profit organizations. The applicant's prime source of business development is working through referral sources, such as lawyers, CPAs, and bankers, focusing on tax incentives, grants, and financing available to organizations that want to lower their utility costs and taxes. As of May 2010, the company has completed 6 projects, and has 12 projects under construction or committed. Solar Nation Inc. is economically viable.

MATERIAL FACTOR:

Solar Nation Inc. is seeking a BEIP grant to support creating 60 new jobs to establish the corporate office in NJ. The founders and senior management team recognize the Northeastern states are offering higher economic incentives for solar panel installation and focusing their business developments in this region. Also under consideration are Massachusetts and Pennsylvania. Management is estimating project costs to exceed \$320,000. The award of the BEIP grant is a material factor in management's decision to move to New Jersey.

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 Solar Nation 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: \$ 1,059,240
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 30 Year 2 30 Base Years Total = 60

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$17,654

ANTICIPATED AVERAGE WAGES: \$118,000

ESTIMATED PROJECT COSTS: \$320,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$3,026,400

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$3,480,360

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: () Yes (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: Delaware

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: P. Ceppi

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	60	2
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	0	0
4. Industry:	Environmental device technology	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$320,000	0
7. Average Wage:	\$ 118,000	4
TOTAL:		10

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:	10 = 35 %
Construction/Renovation :	0 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	35 %

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

APPLICANT: Tekni-Plex, Inc

P32137

PROJECT LOCATION: To Be Determined

Locations Unknown (N)

Unknown County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Tekni-Plex, Inc.(Tekni-Plex), a Delaware corporation with its corporate headquarters in Valley Forge, Pa, was formed in 1967 with the acquisition of the Brooklyn based General Felt Products division Standard Packaging Corporation. Today the applicant is a diversified, global manufacturer of packaging, tubing products, and materials for the healthcare, consumer, and food packaging industries. The packaging ranges from foam egg cartons, to pharmaceutical blister packaging, poultry processor trays and vinyl hosing for irrigation and medical tubing. In 2008 Oaktree Capital Management and Avenue Capital Group acquired a controlling interest in Tekni-Plex, Inc. The applicant is economically viable.

Tekni-Plex has 3 operating facilities in NJ; Flemington (65 employees), Somerville (150 employees), and Ridgefield (150 employees). The General Felt division was moved from Brooklyn to Flemington in 1997 to be merged with a recent acquisition. The Flemington facility is antiquated and requires a significant capital investment to upgrade to the current state of the art facility. The Somerville plant was built in 1970.

To attract new business and improve efficiency Tekni-Plex is considering closing the Flemington facility and reviewing the following options: 1) invest \$10 million to expand and upgrade the Somerville plant to accommodate the Flemington operation and employees in a state of the art manufacturing facility, 2) build a new plant in New Jersey to include Flemington and Somerville operations, or 3) build a new facility in the Lehigh Valley region of Pa.

Tekni-Plex is also requesting the Authority approve at its July 2010 board meeting a BRRAG grant to support moving 55 BRRAG eligible jobs from Flemington to Somerville.

MATERIAL FACTOR:

Tekni-Plex is seeking a BEIP grant to support creating 30 new entry level manufacturing jobs to meet increased production demand at the Somerville facility. Under consideration is also moving to the Lehigh Valley, Pa. If the applicant moves to the Somerville facility the BEIP grant award would increase to 55%, with a value of \$99,000 over the 10 year grant term. The award of the BEIP is a material factor in management's decision to remain and expand in New Jersey.

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 Tekni-Plex, 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: \$ 63,000

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

NJ EMPLOYMENT AT APPLICATION: 365

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

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$2,100

ANTICIPATED AVERAGE WAGES: \$35,000

ESTIMATED PROJECT COSTS: \$10,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$180,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$207,000

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: Pennsylvania

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	30	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	215	2
4. Industry:	paper/wood	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$10,000,000	2
7. Average Wage:	\$ 35,000	2
TOTAL:		9

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	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 RETENTION AND RELOCATION ASSISTANCE GRANT**

APPLICANT: Tekni-Plex, Inc.

COMPANY ADDRESS: 112 Church Street Extension, Flemington Hunterdon County

PROJECT LOCATION: To Be Determined

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

APPLICANT BACKGROUND:

Tekni-Plex, Inc.(Tekni-Plex), a Delaware corporation with its corporate headquarters in Valley Forge, Pa, was formed in 1967 with the acquisition of the Brooklyn based General Felt Products division Standard Packaging Corporation. Today the applicant is a diversified, global manufacturer of packaging, tubing products, and materials for the healthcare, consumer, and food packaging industries. The packaging ranges from foam egg cartons, to pharmaceutical blister packaging, poultry processor trays and vinyl hosing for irrigation and medical tubing. In 2008 Oaktree Capital Management and Avenue Capital Group acquired a controlling interest in Tekni-Plex, Inc.

Tekni-Plex has 3 operating facilities in NJ; Flemington (65 employees), Somerville (150 employees), and Ridgefield (150 employees). The General Felt division was moved from Brooklyn to Flemington in 1997 to be merged with a recent acquisition. The Flemington facility is antiquated and requires a significant capital investment to upgrade to the current state of the art facility. The Somerville plant was built in 1970.

To attract new business and improve efficiency Tekni-Plex is considering closing the Flemington facility and reviewing the following options: 1) invest \$10 million to expand and upgrade the Somerville plant to accommodate the Flemington operation and employees in a state of the art manufacturing facility, 2) build a new plant in New Jersey to include Flemington and Somerville operations, or 3) build a new facility in the Lehigh Valley region of Pa.

Tekni-Plex is requesting the Authority approve at its July 2010 board meeting a Beip (P32137) grant to support creating 30 new entry level manufacturing jobs to meet increased production demand at the Somerville facility.

MATERIAL FACTOR:

The applicant is requesting a BRRAG grant to support relocating the 55 eligible Flemington jobs (New Jersey residents) to the Somerville facility. Should Tekni-Plex build a new facility in NJ for the Flemington and Somerville operations the number of jobs eligible for the BRRAG grant could increase to 205 jobs (BRRAG - \$266,500). It is anticipated a final decision will be made in the 4th quarter of 2010. The award of the BRRAG grant is a material factor in management's decision to remain and expand in New Jersey.

APPROVAL REQUEST:**TERM:** 5 years

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:	\$ 1,300
GRANT AMOUNT PER RETAINED EMPLOYEE (see attached score sheet):	\$71,500 - \$ 266,500
NEW JERSEY EMPLOYMENT AT APPLICATION:	365
ELIGIBLE BRRAG JOBS:	55 - 205
ANTICIPATED AVERAGE WAGES:	\$ 55,000
ESTIMATED PROJECT COST:	\$ 10,000,000
ESTIMATED TOTAL GROSS PAYROLL:	\$ 7,700,000
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 5YRS:	\$ 231,000
PROJECT IS: <input checked="" type="checkbox"/> Expansion <input checked="" type="checkbox"/> Relocation	
CONSTRUCTION: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
BUSINESS DEVELOPMENT OFFICER: Kathleen Durand APPROVAL OFFICER: Michael Krug	

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

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

Company: Tekni-Plex, Inc.

Date Scored: June 23, 2010

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	205 or	2
1 = 50 – 139	55	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	\$55,000	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+	\$10,000,000	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	Yes	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		
4 = 80-99		
3 = 70-79		
2 = 60-69		
1 = 50-59		
0 = <50	30	0

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	TBD	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	43 years	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	365	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	\$1,300	20 or 21*
13-18 = \$1,200		
7-12 = \$1,100		
0-6 = \$1,000		

- To be determined based on Tekni-Plex relocating within NJ to a new site.

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



MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: July 15, 2010

RE: Application for State Incentive Grant Agreement
Summerhill Square L.L.C.

Request

The Members are asked to approve the applications of Summerhill Square L.L.C. for reimbursement of certain taxes for an East Brunswick, Middlesex County project under a "state incentive grant" by the EDA pursuant to the Economic Redevelopment and Growth (ERG) Grant program set forth in N.J.S.A. 52:27D-489c (Act). The project has been determined to have a project financing gap.

The total project costs are estimated to be \$44,697,207. Of this amount, \$29,236,000 has been spent on Phase 1 and portions of the remaining phases. Infrastructure, land and soft costs totaling \$19,188,882 are directly associated with this request and are included in the \$29,236,000. The remaining future costs to complete the project are \$15,461,207, and the recommended reimbursement is not to exceed \$3,092,241 which represents 20% of this amount.

Project Description and Financing

- Summerhill Square L.L.C. is a 188,600 square foot retail shopping center built in four phases. Phase 1 is 64,757 square feet which has been completed prior to application, and leased to Toys R Us and Babies R Us. Phase 2 consists of 62,843 square feet of space and Phases 3 and 4 consist of 56,000 and 5,000 square feet of retail space respectively. Although the actual buildings for Phases 2, 3, and 4 have not been built yet, all of the site work and pad preparation has been completed except for final paving. The land for the whole development has also been acquired by the applicant.
- The applicant's parent entity is Pagano Real Estate Inc., and the principal owner is Robert M. Pagano.
- Pagano Real Estate, Inc. is an experienced developer and has built several retail shopping centers such as Garwood Plaza in Garwood, Waynebridge Crossing in Wayne and others.
- Pagano Real Estate Inc. has contributed \$7,000,000 of their own capital, thereby meeting the minimum equity requirement of 20% of the remaining costs.

- The applicant has an existing construction loan from a commercial bank. The bank has requested additional equity for the project and has agreed to view the ERG Grant as equity.
- The additional revenue from the prospective ERG makes this project feasible to be completed.

Gap Analysis

EDA staff has reviewed the application and determined that there is a project financing gap. The Summerhill Square L.L.C. project was reviewed using our financial model and at the current 4.15% Equity IRR and 6.95% Cash on Cash Yield, the project would not otherwise be completed without the benefit of the ERG Grant program. With the benefit of the ERG, the Equity IRR would be 6.00% and the Cash on Cash Yield would be 7.50%. While the project's yield is below that of our acceptable range, the developer is still moving forward because he will achieve a Net Operating Income of \$2,410,603 when the project is completed.

Net Positive Benefit Analysis

The Authority has conducted the required Net Benefit Analysis and has found that the present value of the Net Positive Benefits to the State of New Jersey over a 20 year period is \$64,420,000. This number is obtained by taking the annual CBT, Gross Income Tax, property tax and indirect spillover tax revenues from the earnings and expenditures. The present value of this figure is reduced by the present value of all local and state grants to the project, resulting in the present value of the Net Positive Benefits to the State of New Jersey. With the present value of the ERG Grant at a 6% discount rate being \$2,270,000 the present value of the Net Positive Benefits to the State of New Jersey is \$62,140,000 This meets the standard of being at least 110% of the recommended grant assistance.

Other Statutory Criteria

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

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

Based on the expected generation of \$1,730,000 of incremental annual Sales and \$1,080,000 of Corporate Income Taxes and a 75% rebate, there are adequate funds to support the reimbursement of taxes to the developer as outlined in the analysis. Per the project financial returns described earlier, there is a definite need for the redevelopment incentive grant agreement. Given the experience of the developer and capacity of the operator as well as the grant under the program, staff determined that the project has a high likelihood of financial success.

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

The project is located in the Township of East Brunswick, an area that has had an increase in unemployment and lower property tax income as a result of commercial vacancies in town. The

project is in a Smart Growth Development Area, and replaces an older center which was underutilized and abandoned. According to a recent survey conducted by The Goldstein Group, the Route 18 East Brunswick market place had a vacancy rate of 16.41%, which is double the average for central New Jersey. The reason East Brunswick has higher than average vacancy is because the retail space is older and obsolete, but with newer space, the vacancy will be lower. The economic and related social distress exists in lost jobs, lost sales from vacant stores, and less tax revenues from lower assessments of property values. This project is planned to create 400 full time jobs and 390 construction jobs, and rejuvenate a failed retail center in central New Jersey.

Recommendation

Authority staff has reviewed the Summerhill Square L.L.C. application and finds that it is consistent with eligibility requirements of the Act. Treasury, in reviewing the applications, has notified the Authority of the adequacy of the project's estimated tax revenues and specified the percentage reimbursement of total project costs. Therefore, it is recommended that the Members approve the Summerhill Square L.L.C. application and authorize the CEO of the Authority to execute an Incentive Grant Agreement with the applicant and the State Treasurer, subject to final review and approval of the Office of the Attorney General.

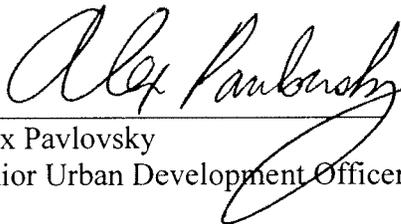
Reimbursement will start once the project has been constructed on the site, after eligible costs have been confirmed by EDA and new tax revenues have been generated. Treasury annually tracks taxes received from job sites and remits reimbursement equal to a percentage of funds collected during the year.

Taxes generated from the existing retailers in Phase 1, Toys R' Us and Babies R' Us are to be explicitly excluded from reimbursement, because that portion is built and not part of the basis for the award recommendation.

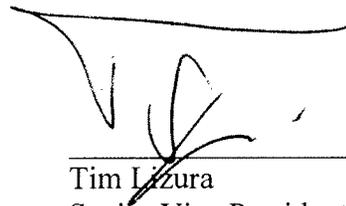
Total Eligible Project Cost: \$15,461,207

Eligible Taxes for Reimbursement: Estimated Sales and Corporate Income Taxes of \$2,810,000 annually, exclusive of taxes generated from Phase 1 which is Toys R' Us and Babies R' Us

Recommended Grant: 20% of actual future costs, not to exceed \$3,092,241



Alex Pavlovsky
Senior Urban Development Officer



Tim Lizura
Senior Vice President, Business Development



Odis Jones
Director, Urban and Site Development

NJEDA Economic Impact Model	
NJEDA Economic Impact Model	
Address	Summerhill
City	Middlesex
Ongoing Jobs	400
One Time Jobs	390
State Direct Ongoing	
Sales Tax	\$1.73 @ 7%
Corporate Income Tax (CIT)	\$1.08 @ 6%
Gross Income Tax	\$1.32 @ 6%
Misc. State Tax Revenue	\$0.00 Input
Direct Ongoing Annual Taxes	\$4.13 a
State Indirect Ongoing	
Annual Corp Spending	\$1.50
Final Indirect Demand Multiplier	0.44x
Indirect Annual Spending	\$0.67
At 3.5 % Tax Rate	\$0.02 b
Annual Payroll	\$10.96
Indirect Effect Earnings Multiplier	0.39x
Indirect Earnings	\$4.26
At 5% Tax Rate	\$0.21 c
Indirect Ongoing Annual Taxes	\$0.24 b+c
Total State Ongoing Net Benefits	
Annual Net Benefit	\$4.37 a+b+c
Cumulative Net Benefit 20 yrs	\$117.30
Present Value @6%	\$63.57 d
One Time	
Construction Value	\$15.00 e
Direct One Time Taxes on Spending	\$0.5 f
Indirect Construction Multiplier	0.55x
Indirect One Time Spending	\$8.55
Spending Tax Rate	3.5%
Ind One Time Taxes on Spending	\$0.3 g
Assumed Portion of Const. on Labor	50% h
Dir One Time Earnings	7.73
Earnings Tax Rate	5% i
Dir One Time Taxes on Earning	\$0.4
Indirect Effect Earnings Multiplier	0.43x
Indirect One Time Earnings (50% of Construction)	3.29
Earnings Tax Rate	5% j
Ind One Time Taxes on Earnings	\$0.2
Total One Time Tax Benefits	\$0.9
Total State Benefits	
Total One Time Tax Benefits	\$0.9 k
Total State Ongoing Benefits (PV @ 6%)	\$63.6 l
Total Benefits	\$64.42 m
Previous Local & State Incentives	
Less:	\$0.00
UEZ Grant (PV @ 6%)	\$0.00 n
BEIP Award (PV @ 6%)	\$0.00 o
ERG Grant (PV @ 6%)	\$2.27 p
PV of Net Benefits to NJ	\$62.14 q+r+s
NOMINAL BENEFITS	
Ongoing:	\$117.30
One Time	\$0.85
Total Benefits:	\$118.15
BEIP:	\$0.00
ERG:	\$3.09
UEZ:	\$0.00
Total Assistance:	\$3.09
Total Nominal Net Benefit:	\$115.06
	\$0.00



MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: July 15, 2010

RE: **RBH-TRB Newark Holdings, LLC**
Economic Redevelopment and Growth Grant Program
(This project is related to an Urban Transit Hub Tax Credit Request)

Request

The Members are asked to approve the application of RBH-TRB Newark Holdings, LLC (RBH) for reimbursement of certain taxes for a Newark, Essex County project under a "state incentive grant" by the EDA pursuant to the Economic Redevelopment and Growth Grant (ERG) program set forth in N.J.S.A. 52:27D-489c (Act).

The total project costs are estimated to be \$124,260,313. The total qualified costs under the ERG Act are **\$102,741,722**. The recommended reimbursement is for **20%** of the qualified costs, not to exceed **\$20,548,344**.

Project Description

The project, which is more commonly referred to as The Halsey Street Teacher Village ("Teacher Village"), consists of a 368,993 square foot development planned for downtown Newark and will include workforce housing, 3 charter schools and a mix of retail amenities. The Charter Schools are TEAM Academy and Discovery. The Teacher Village is the first development phase in the SoMa Newark redevelopment plan designed by Newark-born Richard Meier of Richard Meier & Partners Architects LLP. The SoMa Newark redevelopment project consists of 12 square blocks and 15 million square feet of development in downtown Newark. RBH already owns and controls a significant amount of this property. The Teacher Village is located on both sides of Halsey Street, connecting the existing University Heights area with the Prudential Center and the rest of downtown Newark's existing core. Halsey Street will become the retail portion of SoMa Newark redevelopment area spanning from Branford Place to the north and Hill Street to the south.

The Teacher Village is expected to create 450 construction jobs and 466 permanent full time and part time on-site jobs. The SoMa Newark redevelopment project as a whole is estimated to directly produce over 18,000 permanent on-site jobs during the operational period. These numbers are based on a report prepared by AKRF, Inc.

Charter Schools

1. TEAM Academy Charter School was created in 2002 to serve the Newark region for grades K-4. They currently have approximately 490 students. Their charter has been renewed and is good through 2011. They are looking for additional space to accommodate their growth needs. The Department of Education’s Charter School Division has indicated the charter is in good standing with the State.
2. Discovery Charter School was created in 1999 to serve the Newark region for grades 4 -8. They currently have approximately 100 students. Their current facility at 303 Washington Street is too small for their needs. They are looking to relocate the school to accommodate a growing student population. Their charter has been renewed and is good through 2011. The Department of Education’s Charter School Division has indicated the charter is in good standing with the State.
3. Charter School to be identified.

Project Ownership

The project will be owned by RBH. RBH is a limited liability company formed in 2009 to own the project property. RBH members include TRB Newark Assemblage, LLC (50.09%), TRB Newark TRS, LLC (0.01%), RBH Partners, LLC (49.90%) and RBH Capital, LLC (promotion interest and managing member). All of the members are managed by the RBH Group. The managing member and president of the RBH Group is Ron Beit-Halachmy. Other investors include Nicolas Berggruen of Berggruen Holdings, Frederick Iseman of CI Capital Partners, TRB Assemblage LLC and Warren Lichtenstein of Steel Partners. Mr. Beit-Halachmy has over 15 years experience in the real estate industry. The RBH Group was created to acquire and reposition various real estate assets. Mr. Beit-Halachmy is responsible for identifying and negotiating transactions, coordinating due diligence efforts and making investment decisions. To date, Mr. Beit-Halachmy has developed and/or owned operated over 1 million square feet of commercial and residential real estate in 3 states as well as over 6 million additional developable square feet in institutional grade sites throughout the City of Newark.

Project Sources

RBH will be utilizing several sources to fund the project:

<i>Source</i>	<i>Amount</i>
Lender to be determined- construction to permanent financing	\$50,314,600
Goldman Sachs – New Market Tax Credit Equity Investment	\$21,357,619
Goldman Sachs – Mezzanine Loan	\$7,200,000
Qualified School Construction Bonds	\$13,500,000
Redevelopment Area Bond (RAB) secured by City of Newark PILOT Agreement	\$4,288,203

Brick City Development Corporation and the City of Newark	\$2,000,000
Lender to be determined – low interest loan	\$2,000,000
RBH Equity	\$12,787,792
Urban Hub Tax Credit for the residential portion of the project (sale value)	\$10,812,099
TOTAL SOURCES	\$124,260,313

Gap Analysis

EDA staff has reviewed the application to determine that there is a project financing gap. Staff analyzed the pro forma and projections of the project and compared the returns with and without the ERG and the Urban Transit Hub Tax Credit of \$17,384,620 (the “HUB Tax Credit”) which is being requested contemporaneously with the ERG.

Without ERG and HUB Tax Credit	With HUB Tax Credit Only	With ERG and HUB Tax Credit
Equity IRR -0.18% (Market Range = 15-20%)	Equity IRR 7.99% (Market Range = 15-20%)	Equity IRR 15% (Market Range = 15-20%)
Cash on Cash Yield 4.71% (Market Range = 8-10%)	Cash on Cash Yield 5.66% (Market Range = 8-10%)	Cash on Cash Yield 7.45% (Market Range = 8-10%)

As indicated in the chart above, the project would not otherwise be completed without the benefit of both the ERG and the HUB Tax Credit. **With the benefit of the HUB Tax Credit only, the Equity IRR would be 7.99% and the Cash on Cash Yield would be 5.66%. These returns are not within established acceptable market ranges. With the benefit of the ERG and the HUB Tax Credit, the Equity IRR would be 15% and the Cash on Cash Yield would be 7.45%, making it more in line with the established acceptable market ranges.**

The additional revenue from the prospective ERG, together with the HUB Tax Credit, makes this project feasible to move forward.

Net Positive Benefit Analysis

The Authority has conducted the required Net Benefit Analysis and has found that the present value of the Net Positive Benefits to the State of NJ at a 6% discount rate over a 20 year period is \$51.35 million. This number is obtained by taking the annual sales tax, CBT, Gross Income Tax and Indirect spillover tax revenues from earnings and expenditures. The present value of this figure is reduced by the present value of all local and state grants, including the ERG and HUB Tax Credit, to the project, resulting in the present value of the Net Positive Benefits to the State of NJ of \$20.97 million.

Other Statutory Criteria

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

The economic feasibility and the need of the redevelopment incentive agreement to the viability of the project. The likelihood that the project shall upon completion be capable of generating new tax revenue in an amount in excess of the amount necessary to reimburse the developer for the project costs as provided in the redevelopment agreement. Based on the expected generation of \$1.93 million of incremental direct annual Sales, Corporate Business and Gross Income Taxes and a 75% rebate of eligible taxes, there are adequate funds to support the reimbursement of taxes to the developer as outlined in the analysis. Per the project financial returns described earlier, there is a demonstrated need for the redevelopment incentive grant agreement. Given the experience of the developer and capacity of the major tenants as well as the grant under the program, staff has determined that the project has a high likelihood of financial success.

The degree to which the redevelopment project within a municipality which exhibits economic and social distress, will advance State, regional, local development and planning strategies, promote job creation and economic development and have a relationship to other major projects undertaken within the municipality. The project is located in the City of Newark, an urban aid municipality and one of the NJEDA's 9 targeted cities. Newark's median household income is \$34,521 and per capita income is \$16,077. 24.2% of the residents live in poverty. The SoMa Newark redevelopment project is supported by the City of Newark and is a key component to their master plan in providing a link between the SoMa area and the downtown. The project furthers the City of Newark's Living Downtown Plan Area goals of creating a more mixed use downtown filled with activity 24 hours a day and 7 days a week. The project is expected to create at least 466 permanent jobs and provide much needed housing for the teachers. The location is also in Planning Area 1, which is a targeted area for the ERG program.

Recommendation

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

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

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

Reimbursement shall commence upon:

1. Completion of construction and issuance of a permanent certificate of occupancy;
2. Submission of a detailed list of all eligible costs, which costs shall be satisfactory to the NJEDA; and

3. New tax revenues have been paid to the NJ Treasury.

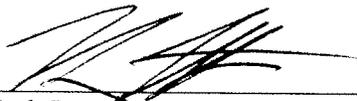
The NJ Treasury annually tracks taxes received from job sites and remits reimbursement equal to a percentage of funds collected during the year.

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

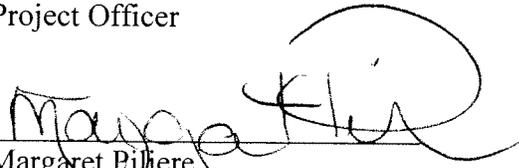
Total Eligible Project Costs: \$102,741,722

Eligible Taxes for Reimbursement: Sales and Corporate Business Taxes of \$1.71 million annually

Recommended Grant: 20% of actual costs, not to exceed **\$20,548,344 over 20 years**



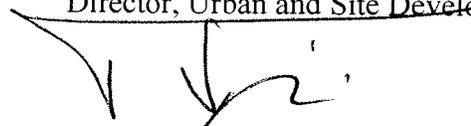
Mark Lestuk
Project Officer



Margaret Pilliere
Regional Director- Business Development/North



Odis Jones
Director, Urban and Site Development



Tim Lizura
Senior Vice President, Business Development

NJEDA Economic Impact Model		
NJEDA Economic Impact Model		
County Number		7
Address		
County		Essex
Ongoing Jobs(Direct)		209
One Time Jobs(Direct)		826
107,000 Ave. Salary Const. Job		
State Direct Ongoing Services Select Industry Sector from Menu		
Sales Tax	\$1.02	@ 6.125% (Blended for UEZ & Regular)
Corporate Income Tax (CBT)	\$0.69	@9% (Less Non Profit Jobs - School)
Gross Income Tax	\$0.22	@4%
Misc. State Tax Revenue	\$0.00	Input
Property Tax (Default to Total Const Value*3%)	\$0.00	Per Approval/PLOT Agreement
Direct Ongoing Annual Taxes	\$1.93	a
State Indirect Ongoing		
Annual Corp Spending	\$35.57	Direct Output Composite
Final Demand Output Multiplier	1.72x	Direct Output Composite Multiplier
Indirect Annual Spending	\$25.43	Direct Output Composite*(Direct_Mult.-1)
At 3.5 % Tax Rate	\$0.89	b
Annual Payroll	\$5.56	Direct Earnings Composite
Indirect Effect Earnings Multiplier	2.31x	Direct Earnings Composite Multiplier
Indirect Earnings	\$7.27	Direct Earnings Composite*(Indirect_Mult.-1)
At 4% Tax Rate	\$0.29	c
Indirect Ongoing Annual Taxes	\$1.18	b+c
Total State Ongoing Net Benefits		
Annual Net Benefit	\$3.11	a+b+c
Cumulative Net Benefit (20yrs w/ 3% yearly Inflation)	\$83.58	
Present Value @6%	\$45.29	d
One Time		
Construction Value	\$110.7	@100%
Direct One Time Taxes on Spending	\$3.9	Input
Direct Construction Multiplier	1.53x	
Indirect One Time Spending	\$58.48	
Spending Tax Rate	3.5%	
Ind One Time Taxes on Spending	\$2.0	
Assumed Portion of Const. on Labor	50%	Input
Dir One Time Earnings	\$5.35	
Earnings Tax Rate	5%	Input
Dir One Time Taxes on Earning	\$2.8	
Direct Effect Earnings Multiplier	1.45x	
Indirect One Time Earnings (50% of Construction)	24.79	
Earnings Tax Rate	5%	Input
Ind One Time Taxes on Earnings	\$1.2	
Total One Time Tax Benefits	\$6.1	e
Total State Benefits		
Total One Time Tax Benefits	\$6.1	e
Total State Ongoing Benefits (PV @ 6%)	\$45.3	d
Total Benefits	\$51.35	d+e
Implied Maximum Loan at 110% Coverage Ratio Before Adjustments	\$46.68	

Previous Local & State Incentives		
Total Benefits	\$51.35	d+e
Less:		
RAB (PV @ 6% over 20 years)	\$2.46	f
HUB (PV @ 6% over 10 Years)	\$12.80	g
ERG (PV @ 6% over 10 Years)	\$15.12	h
PV of Net Benefits to NJ	\$20.97	d+e-f-g-h



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 15, 2010

SUBJECT: Urban Transit Hub Tax Credit Program
RBH-TRB Newark Holdings, LLC
(This project is related to an Economic Redevelopment & Growth Grant (ERG) Request)

Request

The Members are asked to approve the Urban Transit Hub Tax Credit (UTHTC) Program application for RBH-TRB Newark Holdings, LLC (“RBH”), as an owner of a proposed new qualified residential project on an eligible site in Newark. The project site has been verified to be located less than 0.5 miles from the Newark Penn Train Station. **The total eligible capital investment pursuant to the UTHTC Act is \$86,923,102. The applicant is eligible for a 20% tax credit based on the total eligible capital investment, not to exceed \$17,384,620.**

Project Description

The project, which is more commonly referred to as The Halsey Street Teacher Village (“Teacher Village”), consists of a 368,993 square foot development planned for downtown Newark and will include workforce housing, 3 charter schools and a mix of retail amenities. The Teacher Village is the first development phase in the SoMa Newark redevelopment plan designed by Newark-born Richard Meier of Richard Meier & Partners Architects LLP. The SoMa Newark redevelopment project consists of 12 square blocks and 15 million square feet of development in downtown Newark. RBH already owns and controls a significant amount of this property. The Teacher Village is located on both sides of Halsey Street, connecting the existing University Heights area with the Prudential Center and the rest of downtown Newark’s existing core. Halsey Street will become the retail portion of SoMa Newark redevelopment area spanning from Branford Place to the north and Hill Street to the south.

The Teacher Village is expected to create 450 construction jobs and 466 permanent full time and part time on-site jobs. The SoMa Newark redevelopment project as a whole is estimated to directly produce over 18,000 permanent on-site jobs during the operational period. These numbers are based on a report prepared by AKRF, Inc.

The proposed 202,019 square foot residential portion of this project will consist of 224 workforce housing rental apartments. Pursuant to the UTHTC Act, the project includes a 20% affordable housing component. The remaining portion of this project will consist of 100,361 square feet for 2 charter schools and 66,613 square feet of retail. The estimated total capital investment is \$124,260,313.

The availability of the UTHTC is key to RBH's ability to commence this new construction project. Their plan is to begin construction in 4th quarter of 2010 with completion and occupancy by the 2nd quarter of 2012.

Project Ownership

The project will be owned by RBH. RBH is a limited liability company formed in 2009 to own the project property. RBH members include TRB Newark Assemblage, LLC (50.09%), TRB Newark TRS, LLC (0.01%), RBH Partners, LLC (49.90%) and RBH Capital, LLC (promotion interest and managing member). All of the members are managed by the RBH Group. The managing member and president of the RBH Group is Ron Beit-Halachmy. Other investors include Nicolas Berggruen of Berggruen Holdings, Frederick Iseman of CI Capital Partners, TRB Assemblage LLC and Warren Lichtenstein of Steel Partners. Mr. Beit-Halachmy has over 15 years experience in the real estate industry. The RBH Group was created to acquire and reposition various real estate assets. Mr. Beit-Halachmy is responsible for identifying and negotiating transactions, coordinating due diligence efforts and making investment decisions. To date, Mr. Beit-Halachmy has developed and/or owned operated over 1 million square feet of commercial and residential real estate in 3 states as well as over 6 million additional developable square feet in institutional grade sites throughout the City of Newark.

Project Sources

RBH will be utilizing several sources to fund the project:

<i>Source</i>	<i>Amount</i>
Lender to be determined – construction to permanent financing	\$50,314,600
Goldman Sachs – New Market Tax Credit Equity Investment	\$21,357,619
Goldman Sachs – Mezzanine Loan	\$7,200,000
Qualified School Construction Bonds	\$13,500,000
Redevelopment Area Bond (RAB) secured by City of Newark PILOT Agreement	\$4,288,203
Brick City Development Corporation and the City of Newark	\$2,000,000
Lender to be determined – low interest loan	\$2,000,000
RBH Equity	\$12,787,792
Urban Hub Tax Credit for the residential portion of the project (sale value)	\$10,812,099
TOTAL SOURCES	\$124,260,313

HUB Analysis and Eligibility

Authority staff has undertaken a review of the applicant's pro forma which shows that the UTHTC, together with the ERG, which is being requested contemporaneously with this UTHTC, is needed in order for the project to move forward.

Without ERG and UTHTC	With UTHTC Only	With ERG and UTHTC
Equity IRR -0.18% (Market Range = 15-20%)	Equity IRR 7.99% (Market Range = 15-20%)	Equity IRR 15% (Market Range = 15-20%)
Cash on Cash Yield 4.71% (Market Range = 8-10%)	Cash on Cash Yield 5.66% (Market Range = 8-10%)	Cash on Cash Yield 7.45% (Market Range = 8-10%)

As indicated in the chart above, the project would not otherwise be completed without the benefit of both the UTHTC and the ERG. **With the benefit of the UTHTC only, the Equity IRR would be 7.99% and the Cash on Cash Yield would be 5.66%. These returns are not within established acceptable market ranges. With the benefit of the UTHTC and the ERG, the Equity IRR would be 15% and the Cash on Cash Yield would be 7.45%, making it more in line with the established acceptable market ranges.**

The additional revenue from the prospective UTHTC, together with the ERG, makes this project feasible to move forward.

The total eligible capital investment pursuant to the UTHTC Act is \$86,923,102. The applicant is eligible for a 20% tax credit based on the total eligible capital investment, not to exceed \$17,384,620.

To date, \$118,260,937 in tax credits have been approved under the UTHTC program for qualified mixed use residential projects. Therefore, after approval of this project, the total tax credits approved under the UTHTC program will be \$135,645,557.

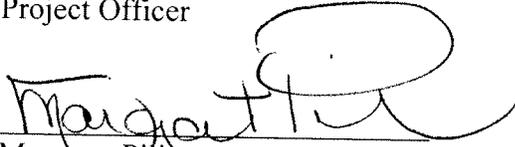
Recommendation

Staff has reviewed the application for consistency with the Act and rules implementing the UTHTC Program (N.J.A.C:19:31-9) and recommends approval of the application for a **20% tax credit**, ten percent of which will be issued annually over ten years in a total amount not to exceed **\$17,384,620**.

EDA will provide the applicant with an approval letter for the total amount of the credit. Pursuant to the rules governing the program, the applicant will need to meet certain project milestones within 12 months of approval in order to maintain the project's credit allocation. These milestones include: 1) site control, 2) site plan approval, and 3) binding commitment of all financing and incentive sources. Upon project completion, the Authority shall issue a tax credit certificate based on the final qualified costs, not to exceed the approved amount. The tax credit certificate shall indicate that the applicant may take one tenth of the total credit annually over ten years when accompanied by a letter issued by EDA indicating the project is compliant with program guidelines. This approval is subject to the proposed program rule amendments becoming final, with the applicant at risk if the proposed amendments implementing the program are not adopted.



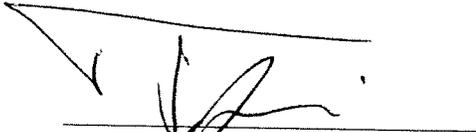
Mark Lestuk
Project Officer



Margaret Piliere
Regional Director- Business
Development/North



Odis Jones
Director, Urban and Site Development



Tim Lizana
Senior Vice President, Business Development

URBAN TRANSIT HUB TAX CREDIT PROGRAM



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 15, 2010

SUBJECT: Urban Transit Hub Tax Credit Program
Boraie Development LLC
120 Albany and 133 Somerset Streets, New Brunswick

Request

The Members are asked to approve the Urban Transit Hub Tax Credit (UTHTC) Program residential application for **Boraie Development LLC¹ (Applicant or Boraie)** for a tax credit amount not to exceed **\$19,886,090**, which represents **20%** of the Total Eligible Capital Investment (Capital Investment) of **\$99,430,452**.

Project Background

Established in 1986, Boraie is a for profit development company that has developed over \$150 million in mixed use development projects in New Brunswick. These projects contain 240,000 SF of office, 26,500 of retail, 600 parking spaces and 121 condominium units. The Applicant is leveraging its prior experience in the proposed development at 120 Albany and 133 Somerset Streets, which will contain 287 apartments, 45,000 SF office space, 7,200 SF of street front retail, and 600 parking units. Both buildings will be within 1 block of the New Brunswick train station. The following chart summarizes the mix of each building:

Uses	120 Albany Street		133 Somerset Street		Total		Percent of Project
	Units	SF	Units	SF	Units	SF	
Apartments	90	99,180	197	239,200	287	338,380	54.63%
Office	n/a	0	n/a	45,000	n/a	45,000	7.27%
Retail	n/a	2,000	n/a	5,200	n/a	7,200	1.16%
Parking	200	67,000	400	161,800	600	228,800	36.94%
						619,380	100.00%

¹ On February 9, 2010, the Members approved a \$13.37 million UTHTC award for the same developer to support the 36-54 Rector Street project located in Newark.

Because the project “consist[s] predominantly of residential units,” the applicant may qualify for up to twenty percent (20%) of the capital investment as a UTHTC, depending upon the result of the financial analysis. The total development cost is estimated at \$108 million, with approximately \$99.4 million qualifying as the Capital Investment, and the following chart summarizes the total development cost and Capital Investment:

	Total Development Cost	Eligible Capital Investment
Acquisition	\$8,582,000	\$0
Site Improvements	\$88,201,752	\$88,201,752
Soft Costs	\$11,228,700	\$11,228,700
Total	\$108,012,452	\$99,430,452
Maximum Eligible UTHTC Award		\$19,886,090

Staff has reviewed the project’s financials to ensure that the project “is likely to be realized with the provision of tax credits at the level requested but is not likely to be accomplished by private enterprise without the tax credits.” N.J.S.A. 34:1B-209.3.a(1). The review of the financials reveals the need for the UTHTC in order to move the project forward. Specifically, the analysis showed the following equity internal rate of return (equity IRR) and cash-on-cash yield with and without the UTHTC:

Investment Measure	Market Range	With Unfunded Gap	With Funded Gap
Equity IRR	15-20%	2.29%	15.61%
Cash on Cash Yield	8-10%	5.37%	6.58%

With the UTHTC, the project yields a market equity IRR within the range; however, the cash on cash yield remains low with the UTHTC investment. Even with the low cash on cash yield, Staff recommends that the board approve a 20% tax credit not to exceed **\$19,886,090**, to be taken over 10 years. Under the Act, the approval would be subject to either the City of New Brunswick obtaining COAH substantive certification, the applicant building a 20% affordable housing component into the project, or a finding by the Attorney General’s office that the project is not obligated to provide affordable units.

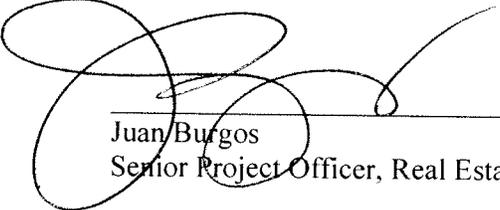
Recommendation

Staff has reviewed the application for consistency with the Act and the regulations implementing the UTHTC Program (N.J.A.C. 19:31-9) and recommends approval of the application for a tax credit amount not to exceed **\$19,886,090** which represents **20%** of the Capital Investment which is \$99,430,452. Ten percent of tax credit amount will be issued annually over ten years. The Authority will provide the applicant with an approval letter for the total amount of the credit. Upon project completion, the Authority shall issue a tax credit certificate based on the final qualified costs, not to exceed the approved amount. The tax credit certificate shall indicate that the applicant may take one tenth of the total credit annually over ten years when accompanied by a letter issued by EDA indicating the project is compliant with program guidelines. This approval is subject to the proposed program rule

amendments becoming final, with the Applicant at risk if the proposed amendments implementing the program are not adopted.

This approval is contingent upon the Applicant providing the following documentation by July 15, 2011:

1. Evidence that:
 - a. The project includes 57 affordable units (20% of the total apartments);
 - b. New Brunswick received COAH substantive certification, or
 - c. a finding by the Attorney General's office that the project is not obligated to provide affordable units;
2. Evidence of site control;
3. Evidence of final site plan approval; and
4. Evidence of financing commitments from all the project's sources consistent with the information provided by the Applicant.



Juan Burgos
Senior Project Officer, Real Estate



Tim Lizura
Senior Vice President, Business Development



Odis Jones
Director, Urban and Site Solutions

BOARD MEMORANDUMS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

SUBJECT: Lehman Brothers Holdings, Inc.
Structured Finance Program

DATE: July 15, 2010

BACKGROUND

Lehman Brothers Holdings, Inc. (Lehman Brothers) closed on a Structured Finance project with the Authority in July 2005. Under the Structured Finance Program, the Authority acquired leasehold improvements, and furniture, fixtures, and equipment which it then leased to Lehman Brothers for the useful life of the assets.

On September 15, 2008 Lehman Brothers entered Chapter 11 bankruptcy and all of Lehman Brother's rights, title and interest to the facility which houses our leased assets transferred to Long Island Holding B LLC, a subsidiary of Barclays Bank Plc. (Barclays) pursuant to a Purchase Agreement approved by the Bankruptcy Court.

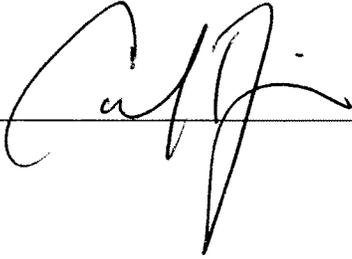
MODIFICATION REQUEST

Barclays has expressed an interest in assuming the obligations and purchasing the rights, titles and interest of Lehman Brothers under the Structured Finance documents. As the July 22, 2010 deadline for purchasing the leasehold improvements is fast approaching, Barclays has requested that an extension to the deadline be provided to allow Barclays time to reach an agreement with the Authority.

A two month extension is being proposed to allow Barclays a reasonable amount of time to negotiate the fee for the asset acquisition.

RECOMMENDATION

Based on the above, staff recommends postponing the July 22, 2010 acquisition deadline until September 22, 2010 to allow Barclays a reasonable amount of time to negotiate the fee for the acquisition of the assets.



Prepared by John Rosenfeld



TO: Members of the Authority
FROM: Caren S. Franzini, Chief Executive Officer
DATE: July 15, 2010
SUBJECT: VPI Systems Inc. ("VPI")
Holmdel, New Jersey
\$1,068,323 Edison Innovation Loan with warrants

Request:

Consent to a substitution of lender from Silicon Valley Bank to Comerica Bank to refinance and increase the senior loan and lien on corporate assets including intellectual property from \$750,000 to \$1,500,000.

Background:

VPI is the successor by merger formed of Elanti Systems, Inc. and VPI Systems, Inc. in March 2010. VPI is an integrated software company that provides network design, optimization and monitoring for the telecommunications industry.

In March 2008, the Members approved a \$1,000,000 Edison Innovation loan to Elanti Systems. The Edison loan which currently has a balance of \$1,068,323, which includes principal plus capitalized interest, and is secured by a second lien on business assets and a springing lien on intellectual property subject to the first lien held by SVB in the amount of \$680,000.

In March 2010 EDA consented to the merger of Elanti with VPI and approved a \$500,000 increase to the senior loan from \$250,000 to \$750,000 to allow this existing loan from Silicon Valley Bank ("SVB") to remain in place post merger.

VPI seeks to refinance the balance of SVB's loan which is due to mature in September 2010 and borrow additional money from Comerica Bank for working capital. VPI is currently finalizing loan terms with Comerica which will require EDA to increase its senior lien carve out from \$750,000 to \$1,500,000. Closing will be subject to receipt and review of final term sheet from Comerica.

Recommendation:

Consent to the substitution of lender and an increase of the senior loan from \$750,000 to \$1,500,000 to facilitate the Borrower's refinance of the current SVB debt to Comerica, which will provide needed working capital. In exchange for our consent, EDA will execute an intercreditor agreement with Comerica Bank acceptable to the Attorney General's Office. Closing will be subject to receipt and review of final term sheet from Comerica.

Approval of this request will support a growing technology company with 35 New Jersey employees and to improve EDA's likelihood of collecting its loan and sharing in future upside with our warrant position.

Prepared by: Glenn C. Anderson, Sr. Portfolio Manager



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: July 15, 2010

SUBJECT: Freedom Healthcare, LLC.
Hackensack, New Jersey

Modification Request:

Consent to the acquisition of Freedom Healthcare, LLC. by Freedom Eldercare, Inc., a newly formed entity. The Members' consent is required because this is an external acquisition by an unrelated party and a change in the ownership of the grantee.

The Members are also advised as a result of the above described acquisition, the grantee's name was changed from Freedom Healthcare, LLC to Freedom Eldercare, Inc. Approval of this name change will be processed under Delegated Authority in conjunction with the Member's approval of the acquisition.

Background

Freedom Healthcare, LLC was formed in March 2003 and provides healthcare and care management services, primarily to a geriatric population.

The above BEIP recipient was approved for an 80% grant for 10 years on March 7, 2005 to assist with the company's expansion of their current facility and the creation of 25 new jobs. The Minimum Eligibility Threshold of 25 was reached in June 2005.

In September, 2007 a modification was approved for the relocation of the project site from Union City to Hackensack, New Jersey.

Webster Capital, a private equity group with a major focus in the healthcare industry, incorporated Freedom Eldercare, Inc. ("FEC") in August 2008 specifically to acquire the assets of Freedom Healthcare, LLC ("LLC"). In September 2008, Freedom Holdco, Inc. ("Holdco") was incorporated as the parent company of FEC.

The acquisition of assets and assumption of all liabilities of LLC by FEC was effective September 29, 2008. As a result of the acquisition, the grantee name was changed from Freedom

Healthcare, LLC to Freedom Eldercare, Inc. Staff has reviewed the name change and legal questionnaire regarding Freedom Healthcare, LLC. and found no disqualifying issues.

Freedom Eldercare, Inc. was formed in 2008. Staff has reviewed the company's December 2009 and May 2010 financial statements, and based on a review of operations which show growing sales and stability, and a growing accounts receivable base, staff concludes that the acquiring company is economically viable.

The acquiring company, Freedom Eldercare, Inc., had no employees at the time of the acquisition. The requested acquisition approval will not affect the grant award percentage or the New Employment Commitment, as there will be no material increase in employment as a result of the changes.

Recommendation:

The Members are asked to approve the acquisition of Freedom Healthcare, LLC by Freedom Eldercare, Inc. as outlined above.



Prepared by: Mary Correia



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: July 15, 2010

SUBJECT: Incentives Modifications
(For Informational Purposes Only)

On September 11, 2001, and as amended on September 16, 2003, the Members of the Authority approved a delegation of authority to the Chief Executive Officer and staff to approve certain BEIP modifications.

On May 10, 2010 the Members of the Authority approved a delegation of authority to the Senior Vice President of Operations and staff to approve annual extensions for the UEZ Sales Tax Exemption for Manufacturers program and the Salem County Sales Tax Exemption for Manufacturers program.

Attached is a list of the BEIP modifications and the BRRAG UEZ and Salem Sales Tax Exemption (STX) extensions that were approved in the 2nd quarter ending June 30, 2010.

Prepared by: C. Craddock

**ACTIONS APPROVED UNDER DELEGATED AUTHORITY
 QUARTER ENDING JUNE 2010**

BUSINESS EMPLOYEMENT INCENTIVE PROGRAM

Name	Action	Modification
AT Systems Atlantic, Inc.	Name Change & Acquisition of Parent	1) Name change from AT Systems Atlantic, Inc. to Garda CL Atlantic, Inc. 2) Acquisition of parent by Garda USA, Inc.
Barnes & Noble College Booksellers, Inc./BNCB Management Corporation/Textbooks.com	Internal Merger without unanticipated growth and Name Change	1) Barnes & Noble College Booksellers, Inc. internally merged into Barnes & Noble, Inc. 2) Name Change from Barnes & Noble College Booksellers, Inc. to Barnes & Noble College Booksellers, LLC. 3) BNCB Management Corp. internally merged into Barnes & Noble College Booksellers, LLC. 4) Textbooks.com removed from grant.
Berlex Inc.	Name Change & Acquisition of Parent	1) Name change from Berlex Inc. to Bayer Healthcare Pharmaceuticals, Inc. 2) Acquisition of parent by Bayer AG (contemplated and approved in original approval).
Imperial Bag & Paper Company, Inc.	Name Change	Name change from Imperial Bag & Paper Company, Inc. to Imperial Bag & Paper Company, LLC.
TradeWeb, LLC	Name Change	Name change form TradeWeb LLC to TradeWeb Markets LLC.
TSA Stores, Inc.	Decrease in Award Percentage	Decrease in the grant award percentage from 60% to 55% as a result of decrease in eligible positions from 200 to 142.

BRRAG UEZ STX & SALEM STX

Name	Action	Modification
Mannington Mills	Salem Annual Extension	Extension to May 11, 2011
Cooper Crouse Hinds, LLC	Salem Annual Extension	Extension to April 30, 2011
Durand Glass Manufacturing Company, Inc.	UEZ - STX Extension	Extension to May 25, 2011
Anheuser-Busch, Inc.	UEZ - STX Extension	Extension to April 25, 2011

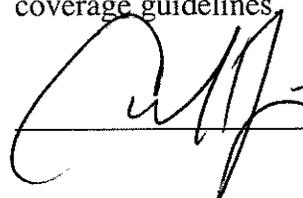
MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: July 15, 2010
SUBJECT: Delegated Authority Approvals – 2nd Quarter 2010
For Informational Purposes Only

Below is a summary of the Delegated Authority approvals prepared by Portfolio Services during the 2nd Quarter of 2010:

<u>Project Name</u>	<u>EDA Exposure</u>	<u>Action</u>
SightLogix, Inc.	\$ 607,430	Restructure payments from monthly to annually based on a progressive percentage of revenues and extend maturity by two years. In exchange, EDA will file a lien on IP and receive additional warrants within EDA coverage guidelines.
Chomis Fiberoptics, Inc.	\$ 516,911	Reduce the new warrant shares required as consideration for the restructure of the loan from 61,813 to 4,998 shares to conform to EDA warrant coverage guidelines.
BMS Realty, Inc.	\$ 438,882	Consent to extension, rate change and increase loan amount by \$15,000 to cover closing costs on TD Bank loan. Extend EDA maturity one year to match bank's new maturity date.
Switch2Health Corp.	\$ 202,946	Restructure payments from monthly to annually based on a progressive percentage of revenues and extend maturity by two years. In exchange, EDA will file a lien on IP and receive additional warrants within EDA coverage guidelines.

Prepared by: Daniel Weick



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: July 15, 2010

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

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

New Jersey Business Growth Fund:

- 1) Advanced Welding Services Inc. or Nominee (P32040), located in Monroe Township, Gloucester County, was formed in 2001 as a provider of welding services and manufacturing. PNC Bank approved a \$300,000 loan with a five-year, 25% guarantee of principal outstanding, not to exceed \$75,000. Loan proceeds will be used to purchase real estate. The company currently has four employees and plans to create an additional two new positions within the next two years.
- 2) Goldberg Enterprises, Inc. or Nominee (P32065), located in Washington Township, Gloucester County, operates as an in-home non-medical care service provider. PNC Bank approved a \$120,000 loan with a five-year, 50% guarantee of principal outstanding, not to exceed \$60,000. Loan proceeds will be used to purchase commercial real estate. Currently, the company has two employees and plans to create an additional two new jobs over the next two years.
- 3) JMC Glass LLC (P31463), located in Berlin Township, Camden County, operates as a glass contractor, installing auto glass, mirrors and showers. PNC Bank approved a \$135,000 loan with a five-year, 25% guarantee of principal outstanding, not to exceed \$33,750. Loan proceeds will be used to purchase commercial real estate. The company currently has two employees and plans to create one new position within the next two years.
- 4) Len Ram Realty, LLC (P32305), located in Union City, Hudson County, is the real estate holding company that owns the project property. The operating company, Lenny Ramirez DPM PC, is a foot surgeon who provides surgical and other podiatric medical services. He has been in practice since 1996 and has two offices, one in Union City and the other in Passaic. PNC Bank approved a \$237,000 loan with a five-year, 25% guarantee of principal outstanding, not to exceed \$59,250. Loan proceeds will be used to refinance existing real estate. Currently, the company has nine employees and plans to create four new jobs over the next two years.

Small Business Fund Program:

- 1) Handicapped High Riders Club, Inc. (P31466), located in Allentown Borough, Monmouth County, was formed in 1979 as an indoor riding facility and stable dedicated to providing special needs riders with recreational and therapeutic instruction. The company was approved for a \$290,000 loan used to refinance an existing mortgage and payoff and close a line of credit. The company currently has eleven employees and plans to create three new positions over the next two years.
- 2) Miracles LLC (P31609), located in Camden City, Camden County, was formed in 2004 as a full service beauty salon that provides a full range of services, including extensions, twists, weaves, perms, straightening, waxing services, hair coloring and highlighting. The company was approved for a \$74,100 loan to be used to purchase real estate. The company currently has three employees and plans to create an additional three new jobs within the next two years.

PNC Business Growth Fund - Modifications:

- 1) Permalith Plastics, LLC (P16732), located in Pennsauken Township, Camden County, was founded in 1956 as manufacturer and distributor of printed material on plastics. PNC Bank has approved an extension of a \$205,595 loan with a five-year, 25% guarantee, not to exceed \$51,398. Original loan proceeds were used to purchase equipment. All other terms and conditions of the original approval remain unchanged.



Prepared by: S. Mania
SM/gvr

REAL ESTATE



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
RE: Parking Lot Lease Agreement
DATE: July 15, 2010

Summary

I am requesting approval to enter into a Parking Lot Lease Agreement for 35 non-exclusive parking spaces in the Barnes Street parking lot in Trenton with the New Jersey Schools Development Authority (NJSDA) for a five year term.

Background

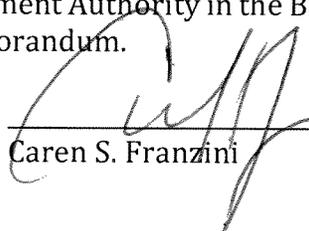
NJSDA currently leases 35 parking spaces from the NJEDA on a monthly basis for employee parking. Since NJEDA now owns the Barnes Street parking lot, it is recommended that a lease be executed between the parties which will formalize the current arrangement and outline the responsibilities of each party, including specific insurance requirements of NJSDA.

The initial lease rate will be \$115/space/month, with annual rent increases based on the Consumer Price Index (CPI-W/Philadelphia-New Jersey). After the initial five year term, NJSDA will have an option to extend the lease for an additional three year term at the then prevailing fair market rate. Based on a recent appraisal prepared for NJEDA of this property, the \$115/space/month rent reflects a market rate for the Capitol District.

The attached Parking Lot Lease Agreement is in substantially final form. The final document may be subject to revision, although the basic terms and conditions will remain consistent with the attachment. The final terms of the Parking Lot Lease Agreement will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

Recommendation

In conclusion, I am requesting the Members' approval to enter into a Parking Lot Lease Agreement with the New Jersey Schools Development Authority in the Barnes Street Parking Lot on terms generally consistent with this memorandum.



Caren S. Franzini

Attachment
Prepared by: Donna Sullivan

PARKING LOT LEASE AGREEMENT

This Lease Agreement ("Lease") is made the ____ day of _____, 2010, between the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY, with offices at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990 ("Landlord") and the NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY, with offices at 1 West State Street, P.O. Box 991, Trenton, New Jersey 08625-0991 ("Tenant").

For good and valuable consideration, Landlord and Tenant agree as follows:

1. Landlord does hereby lease to Tenant and Tenant does hereby rent from Landlord 35 parking spaces, on a non-exclusive basis, in the parking lot described in Exhibit A in the City of Trenton, New Jersey (the "Parking Lot") for a term of five (5) years, beginning on or about July 1, 2010 and ending on or about June 30, 2015 (unless sooner terminated pursuant to the provisions of Paragraph 7, below). The parking spaces shall be used and occupied only and for no other purpose than parking for Tenant's employees. Initially, Landlord will provide Tenant with 35 parking cards, at no charge to Tenant, for use solely by Tenant's employees. Replacement cards will be issued to Tenant at a cost of \$10 each.
2. Provided Tenant is not in default, Landlord agrees to allow Tenant to renew this lease for one three (3) year renewal period at the then prevailing fair market rates.
3. Tenant covenants and agrees to pay to Landlord, as rent for and during the term hereof, the sum of One Hundred Fifteen Dollars (\$115.00) per parking space per month (sometimes referred to herein as "Rent"), increased annually by the change in the Consumer Price Index (CPI-W/Philadelphia-New Jersey) commencing on the first anniversary of the Lease. Rent is payable on the first day of each month during the term hereof to Landlord at the address set forth above.
4. Tenant agrees to park only in those areas designated on Exhibit B attached hereto and not to obstruct or permit any person using such spaces with Tenant's permission to obstruct any sidewalks, driveways, yards, access ways, or other areas not expressly designated on Exhibit B.

5. Tenant, at Tenant's sole cost and expense, shall obtain or provide and keep in force for the benefit of Tenant and Landlord during the term hereof general public liability insurance insuring Tenant and Landlord against any and all liability or claims of liability arising out of, occasioned by, or resulting from any accident or otherwise in or about the parking lot for injury to any person or persons, with limits of not less than \$3,000,000 for injuries in any one accident or occurrence, and for loss or damage to the property of any person or persons for limits of not less than \$1,000,000. The policy or policies of insurance shall be issued by a company or companies authorized to do business in the State of New Jersey shall include an endorsement for contractually assumed liabilities, shall name Landlord as an insured, and shall be delivered to Landlord at least fifteen (15) days prior to the commencement of the term hereof. At least fifteen (15) days prior to the expiration or termination date of any policy, Tenant shall deliver a renewal or replacement policy to Landlord. Tenant releases Landlord from all liability for damage to or loss of any property of Tenant or any other party using the parking lot.

6. The Tenant shall not assign, sublet, or transfer any interest in this Lease without the prior written consent of the Landlord.

7. Landlord may terminate this Lease, in whole or in part, upon ninety (90) days notice to Tenant, in the event that (i) Landlord determines in its sole discretion, exercised in good faith, that this Lease shall be terminated in order to accommodate or facilitate in any way the potential development of the Parking Lot, (ii) the Parking Lot or any portion thereof needs to be closed for rehabilitation or improvement, (iii) there is a sale of the Parking Lot, or a portion thereof, (iv) the Parking Lot becomes unusable for parking for any reason.

8. (a) An event of default ("Event of Default") shall be deemed to occur should any one or more of the following occur:

(i) failure of Tenant to pay Rent after notice to Tenant and such default shall continue for five (5) days after the date on which the same was due and payable (the "Rent Grace Period"); or

(ii) Tenant's doing or permitting anything to be done, whether by action or inaction, contrary to any of Tenant's obligations pursuant to this Lease and such situation shall continue and shall not be remedied by Tenant within thirty (30)

days after Landlord shall have given to Tenant notice specifying the same; or, in the case of a happening or default which cannot with due diligence be cured within a period of thirty (30) days and the continuance of which for the period required for cure will not subject Landlord to being in default under this lease or in violation of any law, rule or regulation, if Tenant shall not duly institute within such 30 day period and promptly and diligently prosecute to completion all steps necessary to remedy the same; or

(iii) repeated failure by Tenant's employees to comply with rules and regulations in place with respect to parking at the Parking Lot.

(b) Upon any Event of Default, Landlord will have the right to do one or more often any one or more of the following:

(i) give the Tenant a notice (the "Termination Notice") of its intention to terminate this Lease and, upon the day specified in the Termination Notice, this Lease and the term and estate hereby granted shall expire and terminate and all rights of the Tenant under this Lease shall expire and terminate. Notwithstanding the foregoing, the Landlord may institute dispossession proceedings for non-payment of rent, distraint or other proceedings to enforce the payment of rent without giving the Termination Notice.

(ii) file suit to recover all accrued but unpaid Rent for this Lease together with all costs provided or permitted by law,

9. Landlord reserves to itself and its successors and assigns the right, from time to time, to enter upon the Parking Lot to exercise Landlord's remedies, rights and obligations under this Lease, to ascertain if Tenant is in compliance with its covenants under this Lease, to inspect the Parking Lot, to make repairs, alterations or changes to the Parking Lot, and to exhibit the Parking Lot to mortgagees and to prospective lenders, purchasers and tenants.

10. Tenant agrees at any time and from time to time, upon prior written notice by Landlord, to execute, acknowledge and deliver to Landlord a written statement or other document certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (ii) stating the dates to which the rent and any other charges hereunder have been paid by Tenant, (iii) stating

whether or not to the best knowledge of Tenant, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and if so specifying each such default of which Tenant may have knowledge.

11. As of the effective date of this Lease, the Parking Lot is not encumbered by a mortgage. If Landlord subjects the Parking Lot to the lien of a mortgage, Landlord shall cause the holder of any such mortgage ("Mortgagee") to enter into a written agreement with Tenant providing that (a) in the event of foreclosure or other action taken under the mortgage by Mortgagee, this Lease and the rights of Tenant hereunder shall not be disturbed or diminished, but shall continue in full force and effect so long as Tenant complies with the terms hereof, and (b) in no event shall any term or provision of this Lease be altered.

12. All notices required under the terms of this Lease shall be given and shall be complete by hand-delivery, or mailing such notices by certified or registered mail, return receipt requested, or by overnight delivery, to the address of the parties as shown at the head of this Lease, or to such other address as may be designated in writing, which notice of change of address shall be given in the same manner.

13. (a) Landlord may, at Landlord's sole cost and expense, make improvements to the Parking Lot deemed reasonable to Landlord, in its sole discretion.

(b) Landlord shall, at Landlord's sole cost and expense, keep the Parking Lot in good repair and condition, undertake all necessary maintenance, including without limitation, parking lot maintenance, snow and ice removal and cleaning, and shall make all necessary repairs, replacements and alterations thereto, in order that the Parking Lot shall be usable by Tenant for its intended use as a parking lot. All of the foregoing shall be performed to the standards of other similar parking facilities in downtown Trenton.

(c) Landlord shall, throughout the term of this Lease, apply for, pay for and keep current all permits and licenses and pay all taxes and fees required for the lawful operation of the Parking Lot.

14. Tenant acknowledges that its use of the Parking Lot is subject to and limited by a certain ninety-nine year Lease Agreement for Parking Spaces between State Street Square Partners-III (SSP) and St. Mary's Catholic Church (the Church) dated November 9, 1988, as amended

by Amendment No. 1 dated January 20, 2010 between SSP, the Church and Landlord, wherein, the Church, as a previous owner of the Property, reserved unto itself the right to use up to sixty (60) parking spaces for automobile parking on the Property during weekends (i.e. between 12:01 a.m. Saturday and 11:30 p.m. Sunday), as therein provided. A true and complete copy of the Lease Agreement and Amendment are attached hereto as Exhibit C.

15. Landlord agrees that on paying Rent, Tenant shall, during the term hereof, peaceably and quietly have, hold and enjoy 35 parking spaces, on a non-exclusive basis, in the Parking Lot.

16. (a) It is specifically understood and agreed that in the event of a breach by Tenant of any of the terms, covenants or conditions of this Lease to be performed by Tenant, the Landlord hereby agrees that nothing in this Lease shall make the Tenant or its employees or agents liable to pay any damages or costs for which it and/or they have no liability under the New Jersey Tort Claims Act, N.J.S.A. 59:13-1 et seq. The Landlord agrees to be bound by the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

(b) It is specifically understood and agreed that in the event of a breach by Landlord of any of the terms, covenants or conditions of this Lease to be performed by Landlord, the Tenant hereby agrees that nothing in this Lease shall make the Landlord or its employees or agents liable to pay any damages or costs for which it and/or they have no liability under the New Jersey Tort Claims Act, N.J.S.A. 59:13-1 et seq. The Tenant agrees to be bound by the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

17. Landlord understands and acknowledges that the cost and expense of the performance by Tenant of its obligations and the incurrance of any liabilities of Tenant under this Lease shall, in all respects be subject to and dependent upon appropriations being made from time to time for such purposes by the Board of Directors of Tenant from funds made available to Tenant pursuant to the Educational Facilities Construction and Financing Act, P.L. 2007, c. 72. In the event of a non-appropriation, Tenant shall have the right to terminate this Lease upon thirty (30) days prior written notice to Landlord. Upon the effective date of the Lease termination, Tenant's right to the parking spaces provided for hereunder shall cease and Tenant shall have no further obligations to each other under this Lease.

18. This Agreement shall be governed by the laws of the State of New Jersey.

19. This Lease constitutes the entire agreement between the parties. Any changes or amendments to the Lease must be in writing and signed by the Landlord and Tenant.

20. The parties hereto represent that they have the proper authority to sign on behalf of the entities entering this Lease and they fully intend for the Landlord and Tenant to be legally bound.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals, or caused these presents to be executed by their proper officers as of the date first above written.

LANDLORD:
NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

TENANT:
NEW JERSEY SCHOOLS
DEVELOPMENT AUTHORITY

By: _____
Caren S. Franzini, Chief Executive Officer

By: _____

EXHIBIT A

EXHIBIT B

EXHIBIT C

Landlord uses its good faith efforts to locate substitute parking in as close proximity to the Remaining Land as is reasonably possible.

2. Notices. Article XIV of the Lease is amended to provide that notices addressed to Landlord shall be addressed as follows:

If to State Street:

50 West State Street
Suite 112
Trenton, NJ 08608
Attention: Barry Howard, Esquire

With copies to:

PSEG Energy Holdings, L.L.C.
80 Park Plaza
Newark, NJ 07101
Attention: Mr. William R. Barbour

American Resurgens Management Corp.
2929 Lenox Road
Atlanta, GA 30324

With a copy to NJEDA.

If to NJEDA:

36 West State Street
P.O. Box 990
Trenton, NJ 08625-0990
Attention:

With a copy to State Street.

The notice address for Tenant is:

St. Mary Cathedral
151 North Warren Street
Trenton, NJ 08608
Attention: Reverend Monsignor John K. Dermond, Rector

3. Assignment and Assumption of Lease: Acknowledgment. State Street hereby assigns all of its right, title and interest in and to the Lease, as amended hereby, with respect to

the East Parcel to NJEDA and NJEDA hereby assumes and agrees to observe the covenants of Landlord under the Lease with respect to the East Parcel for so long as the East Parcel shall be a part of the Demised Premises. Tenant hereby acknowledges and consents to the assignment and assumption of the Lease as provided in the preceding sentence and covenants and agrees to observe the covenants of Tenant for the benefit of State Street as to the West Parcel and NJEDA as to the East Parcel, for so long as the respective parcels shall comprise a part of the Demised Premises, including, without limitation the following:

a. Tenant Insurance. Tenant shall continue to keep and maintain the liability insurance required under Article III of the Lease, naming State Street and NJEDA as insureds as their respective interests may appear. Tenant shall deliver policies (or Certificates of the Insurers) of the required liability insurance policies to each of State Street and NJEDA as required under Section 3.02 of the Lease.

b. Indemnification. Tenant agrees that its indemnification obligations as set forth in Article VIII of the Lease shall extend to and include NJEDA as a Landlord with respect to the East Parcel, in addition to continuing to pertain to State Street as to the West Parcel, provided at such time as the East Parcel is no longer part of the Demised Premises, Tenant's indemnification obligations under the Lease shall pertain only to State Street, its successors and assigns, and the West Parcel.

4. Miscellaneous. This Amendment may be executed in counterparts, each of which when taken together shall constitute a single document. Except as herein modified and amended, all of the terms, covenants and conditions of the Lease shall continue in full force and effect. Landlord and Tenant shall execute a Memorandum of Lease substantially in the form attached hereto as Exhibit "C" for recording.

5. Landlords Are Severally Liable. Tenant acknowledges and confirms that State Street and NJEDA are not jointly liable under the Lease and that any claim or dispute regarding the West Parcel shall be made only against State Street and any claim or dispute regarding the East Parcel shall be made only against NJEDA. Any claim against NJEDA of a contractual nature shall be made in accordance with and subject to the provisions of the New Jersey Contractual Liability Act (N.J.S.A. 59:13-1 et seq.). Any claim against NJEDA based in tort shall be made in accordance with and subject to the provisions of the New Jersey Tort Claims Act (N.J.S.A. 59:1-1 et seq.).

6. Tenant represents and warrants, and Landlord acknowledges and confirms, that the William M. Murphy, Inc. Funeral Home referenced in Article II of the Lease was purchased by Tenant's affiliated entity, the Diocese of Trenton, and is used for charitable purposes including the offices of New Jersey Catholic Conference. Subject to the terms of the Lease, as modified herein, Landlord further acknowledges and agrees that the Tenant may permit the use of a portion of the parking spaces demised to Tenant within the Demised Premises to be used to meet the needs of the Diocese of Trenton as the owner of former Funeral Home site and as a subtenant of Tenant. The use of the parking spaces by the Diocese, as the owner of the former Funeral Home will be limited to evenings (i.e., after 6:00 p.m.) and on any Weekend Day. The permission granted under this paragraph shall be personal to the Diocese.

7. All provisions of the Lease not specifically modified by this Amendment shall remain in full force and effect.

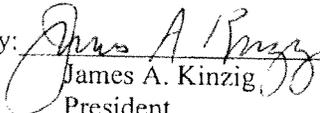
IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Amendment as of the day and year first above written.

LANDLORD:

STATE STREET SQUARE PARTNERS-III, a New Jersey General Partnership

By: State Street-III, L.P., a New Jersey limited partnership, a general partner

By: Aegis State Street Partners, Inc., a New Jersey corporation, a general partner

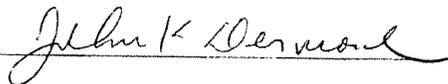
By: 
James A. Kinzig,
President

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

By: _____
Caren S. Franzini, Chief Executive Officer

Attest: _____
David E. Nuse, Director, Real Estate
Development Division

Witness:



5225106-2

TENANT:

ST. MARY'S CATHOLIC CHURCH,
TRENTON

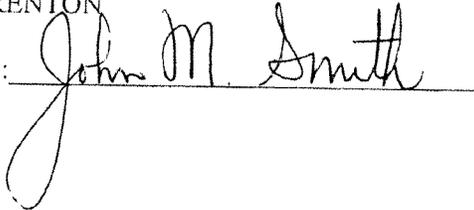
By: 

EXHIBIT "A"
LEASE AGREEMENT

EXHIBIT A

LEASE AGREEMENT FOR PARKING SPACES

THIS LEASE AGREEMENT ("Lease") made this 9th day of November, 1988 between KESTREL INVESTMENT PARTNERS-III, L.P., with an address of 3000 Centre Square West, Philadelphia, PA 19103 ("Landlord") and ST. MARY'S CATHOLIC CHURCH, with an address of 151 North Warren Street, Trenton, New Jersey ("Tenant")

W I T N E S S E T H T H A T:

Landlord and Tenant do hereby mutually covenant, promise and agree as follows:

ARTICLE I

DEMISE - PROPERTY - TERM - RENT

1.01. Demise and Premises. Landlord does hereby demise and let unto Tenant, and Tenant does lease and take from Landlord, for the term and upon the covenants, terms and conditions hereinafter set forth:

Up to sixty (60) automobile parking spaces located upon ALL THAT CERTAIN tract or parcel of ground situate in the City of Trenton, Mercer County, New Jersey, more particularly described and identified in Exhibit "A" attached hereto and by this reference made a part hereof (the "Demised Premises"). Tenant agrees to advise Landlord from time to time of the anticipated number of parking spaces required by Tenant and the days and times of day when such spaces shall be required. Landlord agrees to locate the parking spaces included within the Demised Premises as close as is reasonably feasible to other lands of Tenant adjacent to the Demised Premises (the "Remaining Land"). During any period of construction by Landlord on the Demised Premises, Landlord shall have the right to suspend Tenant's occupancy rights to the Demised Premises provided Landlord uses its good faith efforts to locate substitute parking in as close proximity to the Remaining Land as is reasonably possible.

1.02. Term. The term of this Lease (herein called the "Term") shall be ninety-nine (99) years, commencing on November 9, 1988 (the "Commencement Date") and expiring on the day preceding the ninety-ninth (99th) anniversary of the Commencement Date (the "Expiration Date") unless sooner terminated as hereinafter provided. In the event Landlord determines in good faith that it is no longer feasible to use the Demised Premises for parking by Tenant, Landlord shall have the right to terminate this Lease upon making provision or substitute consideration reasonably satisfactory to Tenant (e.g. substitute parking spaces or other consideration to Tenant in lieu of parking).

1.03. Rent. Tenant shall pay to Landlord as rent during the Term of this Lease the sum of One Dollar (\$1.00) receipt whereof is hereby acknowledged by Landlord.

ARTICLE II

USE

The Demised Premises shall be used solely for the purpose of automobile parking by parishioners, guests, employees and invitees of Tenant in connection with Tenant's use of the Remaining Land in the manner now used for church purposes. Additionally, so long as the William M. Murphy, Inc. Funeral Home (the "Funeral Home") is owned by Henry B. Murphy, Tenant may permit the use of a portion of the parking spaces within the Demised Premises to be used to meet the needs of the Funeral Home. The use of the parking spaces for the Funeral Home shall be limited to evenings and weekends.

ARTICLE III

INSURANCE

3.01. Liability Insurance. Tenant, at Tenant's sole cost and expense, shall maintain during the Term hereof (a) general or comprehensive public liability insurance against any claims for bodily injury, death or property damage, occurring on, in or about the Demised Premises and on, in or about the adjoining streets, property, parking lots and passageways, and against contractual liability for any such claims, such insurance to afford minimum protection in the amount of \$1,000,000 or in such higher amount as Landlord may reasonably deem necessary from time to time.

3.02. INSURERS. All insurance provided for in this Article III shall be effected under valid and enforceable policies issued by insurers of recognized responsibility which are licensed to do business in the State of New Jersey and are well rated by national rating organizations. Copies of such policies (or certificates of the insurers) shall be delivered by Tenant to Landlord upon the issuance thereof, and thereafter not less than fifteen (15) days prior to the expiration dates of any such policies theretofore furnished pursuant to this Article III.

3.03. Insureds. All policies of insurance provided for in Section 3.01 hereof shall name Landlord and Tenant as the insureds as their respective interests may appear.

3.04. Notice of Cancellation. Each policy or certificate therefor obtained by Tenant pursuant to this Article III shall contain an agreement by the insurer that such policy shall not be cancelled or modified without at least thirty (30) days' prior written notice to Landlord.

ARTICLE IV

WASTE

Tenant shall not cause or permit any waste or damage, disfigurement or injury to any of the Demised Premises.

ARTICLE V

COMPLIANCE WITH LAWS

5.01. Compliance with Laws. Throughout the Term of this Lease, Tenant will comply with any present or future law which shall be applicable to Tenant's use of the Demised Premises.

5.02. Compliance with Insurance Requirements. Tenant likewise shall observe and comply with the requirements of all policies of general or public liability insurance which Tenant is required hereby to maintain with respect to the Demised Premises and all orders, rules and regulations of the Department of Insurance of New Jersey (or any other body exercising similar functions) applicable thereto, or any use, manner of use or condition thereof.

5.03. Permits. Throughout the Term of this Lease, Tenant, at Tenant's sole cost and expense, will procure and maintain all permits, licenses and authorizations required for Tenant's use of the Demised Premises.

ARTICLE VI

MECHANICS' LIENS

Tenant agrees to exonerate, protect, defend, indemnify and save harmless Landlord against any mechanic's liens which may be filed against the interest of Landlord or Tenant in the

ARTICLE XVII

EASEMENTS

Landlord reserves unto itself and its successors and assigns a perpetual right of way and easement to, through, across, under and over the Demised Premises (i) for reasonable access to portions of the Demised Premises and Landlord's adjoining property; (ii) for roadways, utility lines (including but not limited to gas, electric, water, telephone, storm sewer and sanitary sewer lines) and other usual easements required for the protection, access to and development of Landlord's adjoining property.

ARTICLE XVIII

MISCELLANEOUS PROVISIONS

18.01. SUCCESSORS. The covenants and agreements herein contained shall bind and inure to the benefit of Landlord, and Landlord's successors and assigns, and Tenant and Tenant's successors and permitted assigns, subject to the provisions of this Lease. Each reference in this Lease to Landlord or Tenant shall be deemed to include any and all of their respective successors and assigns, and, in the case of Landlord, each and every present or future joint tenant or joint tenant in common of the fee title to the Demised Premises or any part thereof.

18.02. Conveyance by Landlord. If Landlord or any successor owner of the Demised Premises shall convey or otherwise dispose of the Demised Premises, thereupon all liabilities and obligations on the part of Landlord or such successor owner under this Lease shall be binding upon the transferee of the Demised Premises; and, thereupon all such liabilities and obligations on the part of Landlord or such successor owner under this Lease accruing after such conveyance or disposal and assumption shall terminate. Notwithstanding this provision, Landlord shall provide written notice of its intention to sell the Premises or a change in the General*

18.03. Controlling Law. This Lease has been delivered in, and shall be construed and enforced in accordance with the laws of, the State of New Jersey.

18.04. Integration. This Lease and the documents referred to herein set forth all the promises, agreements, conditions and understandings between Landlord and Tenant relative to the leasing of the Demised Premises, and there are no promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. It is further understood and agreed that, except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

18.05. Separability. Each covenant and agreement contained in this Lease shall for all purposes be construed to be a separate and independent covenant and agreement. If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid and unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and shall be enforced to the extent permitted by law.

18.06. Headings. The headings to the various Articles and Sections of this Lease have been inserted for convenient reference only and shall not modify, amend or change the express terms and provisions of this Lease.

*Partners of Landlord forty-five (45) days prior to any such conveyance.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease the day and year first above written.

LANDLORD:

KESTREL INVESTMENT PARTNERS-III, L.P.

By: Kestrel Advisors Limited

By: James R. Beam
James R. Beam, Vice President

Witness or Attest:

William D. Black
Assistant Secretary

TENANT:

ST. MARY'S CATHOLIC CHURCH, TRENTON

By: John C. Quill

Joseph R. Punderson
Assistant Secretary

4090L
110888

EXHIBIT "A"

(Legal Description or Survey of Demised Premises)

TRENTON ENGINEERING CO., INC.

CIVIL ENGINEERS AND SURVEYORS

ESTABLISHED 1887

2183 SPRUCE STREET

TRENTON, N. J. 08638

AREA CODE 608

682-0616

682-0617

November 3, 1988

Bank Street

DESCRIPTION OF LOT 111, BLOCK 20B, FORMERLY LOTS 46-49,
72, 84, 103-105, 111, 112, 116, 117, 120, 122, 128, 131, 132, 144,
154, 162-166, 169, 170, 179, BLOCK 20-B, CITY OF TRENTON
TAX MAPS, MERCER COUNTY, NEW JERSEY

Beginning at the point of intersection of the southerly line of Bank Street (66 feet wide) with the easterly line of Barnes Street (50 feet wide) and running thence:

(1) S 78°21' E, along the southerly line of Bank Street, 134.07 feet to a point; thence

(2) S 11°55'27" W, along the westerly line of other lands of St. Mary's Cathedral, and Cathedral Square Housing, Inc., 416.26 feet to a point in the northerly line of West Hanover Street (60 feet wide); thence

(3) N 76°39'30" W, still along same, 148.62 feet to a point in the easterly line of Barnes Street; thence

(4) N 13°56'30" E, along the easterly line of Barnes Street, 412.20 feet to the point and place of beginning.

Containing 58,532. more or less square feet equalling 1.3437 more or less acres.

Subject to the right of owners, if any, in poles and overhead wires.

EXHIBIT A

TRENTON ENGINEERING CO., INC.
CIVIL ENGINEERS AND SURVEYORS

ESTABLISHED 1897

2183 SPRUCE STREET
TRENTON, N. J. 08638

AREA CODE 608
882-0616
882-0617

Tract Two (Lots 96 and 97)

Beginning at a point in the easterly line of North Willow Street (66 feet wide) distant 133.49 feet northerly from the intersection of the said line of North Willow Street with the northerly line of West Hanover Street (variable width) and running thence:

- (1) N 13°36'31" E, along the easterly line of North Willow Street, 31.00 feet to a point; thence
- (2) S 76°23'29" E, 76.00 feet to a point in the westerly line of Gamble Alley; thence
- (3) S 13°36'31" W, along the westerly line of Gamble Alley, 31.00 feet to a point; thence
- (4) N 76°23'29" W, 76.00 feet to the point and place of beginning.

Containing 2,356 more or less square feet equalling 0.054 more or less acres.

TRENTON ENGINEERING CO., INC.
CIVIL ENGINEERS AND SURVEYORS

ESTABLISHED 1897

2193 SPRUCE STREET
TRENTON, N. J. 08628

AREA CODE 608
682-0616
682-0617

Tract Three (Lots 57, 58, 61, 81, 83, 134, 146-150 incl.)

Beginning at the point of intersection of the southerly line of Bank Street as widened (66 feet wide) with the easterly line of North Willow Street (66 feet wide) and running thence:

- (1) S 78°21' E, along the southerly line of Bank Street, 159.34 feet to the point of intersection of the said line of Bank Street with the westerly line of Barnes Street (50 feet wide); thence
- (2) S 13°56'31" W, along the westerly line of Barnes Street, 170.67 feet to a point; thence
- (3) N 76°03'29" W, 66.00 feet to a point in the easterly line of Gamble Alley; thence
- (4) N 13°56'31" E, along the easterly line of Gamble Alley, 28.00 feet to a point; thence
- (5) N 76°03'29" W, along the northerly terminus of Gamble Alley, 10.42 feet to a point; thence
- (6) S 13°36'31" W, along the westerly line of Gamble Alley, 35.74 feet to a point; thence

ENGINEERING CO., INC.
CIVIL ENGINEERS AND SURVEYORS

ESTABLISHED 1907

2102 SPRUCE STREET
TRENTON, N. J. 08638

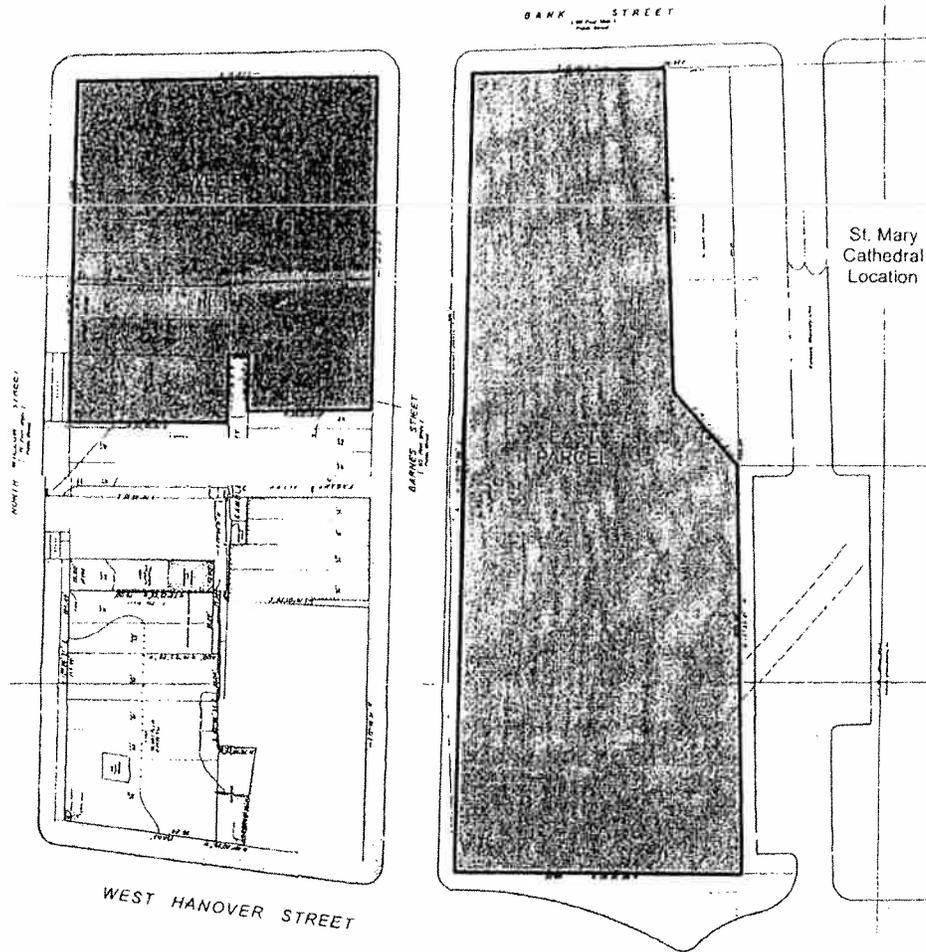
AREA CODE 609
882-0616
882-0617

- (7) N 76°23'29" W, 82.00 feet to a point in the easterly line of North Willow Street; thence
- (8) N 13°36'31" E, along the easterly line of North Willow Street, 52.43 feet to a point; thence
- (9) S 76°23'29" E, 82.00 feet to a point; thence
- (10) N 13°36'31" E, 16.67 feet to a point; thence
- (11) N 76°23'29" W, 82.00 feet to a point in the easterly line of North Willow Street; thence
- (12) N 13°36'31" E, along the easterly line of North Willow Street, 103.42 feet to the point and place of beginning.
- Containing 25,585 more or less square feet equalling 0.5874 more or less acres.

EXHIBIT "B"
DEMISED PREMISES
East and West Parcels

HANOVER STREET LOTS
Trenton, New Jersey

SHADED AREAS DENOTE THE DEMISED PREMISES



Pursuant to Tax Map of City of Trenton, New Jersey:

East Parcel: Block 3402, Lot 4

West Parcel: Block 3401, Lots 1, 2, 3, 4, 5, 32, 33, 34, 35, 36, 37 & 38

EXHIBIT C

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") made as of the ____ day of January, 2010 between STATE STREET SQUARE PARTNERS-III, a New Jersey general partnership, successor in interest to Kestrel Investment Partners-III, L.P., with an address of 50 West State Street, Suite 112, Trenton, New Jersey 08608 ("State Street") and New Jersey Economic Development Authority, an instrumentality of the State of New Jersey, with an address of 36 West State Street, Trenton, New Jersey ("NJEDA") (State Street and NJEDA being referred to herein each as a "Landlord" with respect to the portion of the Demised Premises owned by State Street and NJEDA, respectively) and ST. MARY'S CATHOLIC CHURCH, TRENTON with an address of 151 North Warren Street, Trenton, New Jersey 08608 ("Tenant").

WITNESSETH

1. State Street and Tenant are parties to a Lease Agreement for Parking Spaces dated November 9, 1988 as amended by Amendment No. 1 to Lease Agreement for Parking Spaces between Landlord and Tenant dated January ____, 2010 (collectively the "Lease").

2. Under the Lease, the Landlord leases to Tenant for automobile parking:

(i) At any time other than on a Weekend Day, no more than sixty (60) automobile parking spaces on the West Parcel.

(ii) Until a Notice of Development (as defined in the Lease) is given to Tenant, on any Saturday and Sunday during the Term, between 12:01 a.m. Saturday and 11:30 p.m. Sunday, prevailing time (herein, a "Weekend Day"), sixty (60) automobile parking spaces located upon all that certain tract or parcel of ground situate in the City of Trenton, Mercer County, New Jersey, more particularly described and identified in Exhibit "A" attached hereto and by this reference made a part hereof ("Demised Premises"). In addition, until such time as a Notice of Development is given to Tenant, Tenant's right to use the East Parcel for automobile parking during a Weekend Day shall include and extend to any additional available surface parking spaces located on the East Parcel. After a Notice of Development is given to Tenant, Tenant shall continue to have the right throughout the Term to park up to sixty (60) automobiles on the West Parcel without any day or time limitations whatsoever. Throughout the Term, subject to availability, Tenant shall also have the right to park as many cars as it may need to on the West Parcel on a Weekend Day.

(A) The Demised Premises is comprised of two properties, (i) the "East Parcel" lying on the east side of Barnes Street and more particularly described and identified in Exhibit

“B” attached hereto and by this reference made a part hereof and (ii) the “West Parcel” lying to the west of Barnes Street as more particularly described and identified in Exhibit “B” attached hereto and by this reference made a part hereof.

(B) Upon Landlord’s issuance of a Notice of Development, Tenant’s rights to parking during Weekend Days shall thereafter pertain to and be limited to the West Parcel for the remainder of the Term and then and thereafter all references in the Lease to the Demised Premises shall refer only to the West Parcel.

3. The Lease is in Effect. The term of the Lease shall expire November 9, 2087.

4. The Lease contains the entire agreement between the parties. All persons are hereby put on notice of the existence of the Lease, and are referred to the Lease for its specific terms and conditions, all of which are incorporated herein by reference.

5. This Memorandum is prepared and acknowledged solely for recording purposes under the laws of the State of New Jersey, and is in no way intended to change, alter, modify, amend or in any other way affect the rights, duties and obligations of Landlord and Tenant pursuant to the Lease; it being specifically understood and agreed between the parties that each has rights, duties and obligations imposed upon it in the Lease which are not expressly contained herein but are included herein by reference.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Memorandum as of the day and year first above written.

LANDLORD:

STATE STREET SQUARE PARTNERS-III,
a New Jersey General Partnership
By: State Street-III, L.P., a New Jersey limited partnership, a general partner

By: Aegis State Street Partners, Inc., a New Jersey corporation, a general partner

By: _____
James A. Kinzig
President

NEW JERSEY ECONOMIC
DEVELOPMENT AUTHORITY

By: _____
Caren S. Franzini, Chief Executive Officer

Attest: _____
David E. Nuse, Director, Real Estate
Development Division

TENANT:

ST. MARY'S CATHOLIC CHURCH,
TRENTON

By: _____

Witness:

STATE OF NEW JERSEY :
 : ss.
COUNTY OF _____ :

BE IT REMEMBERED that on this ____ day of January, 2010, before me, the undersigned witnessing authority, personally appeared JAMES A. KINZIG, who is the President of AEGIS STATE STREET PARTNERS, INC., a General Partner of State Street III, L.P., who I am satisfied is the person who signed the within instrument, and he acknowledged that he signed, sealed and delivered the same as such officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation, made on behalf of such limited partnership as a general partner of the Grantor.

Print Name: _____
Title: _____
Commission Expires: _____

STATE OF NEW JERSEY :
 : ss.
COUNTY OF _____ :

BE IT REMEMBERED that on this _____ day of January, 2010, before me, the undersigned authority, personally appeared Caren S. Franzini, Chief Executive Officer the New Jersey Economic Development Authority who I am satisfied is the person who signed the within instrument and delivered the same in such capacity aforesaid and that the within instrument is the voluntary act and deed of such entity.

STATE OF NEW JERSEY :
 : ss.
COUNTY OF _____ :

BE IT REMEMBERED that on this _____ day of January, 2010, before me, the undersigned authority, personally appeared _____ of St. Mary's Catholic Church, Trenton, who I am satisfied is the person who signed the within instrument and delivered the same in such capacity aforesaid and that the within instrument is the voluntary act and deed of such entity.

EXHIBIT A
DEMISED PREMISES

East Parcel: Block 3402, Lot 4

West Parcel: Block 3401, Lots 1, 2, 3, 4, 5, 32, 33, 34, 35 36, 37 & 38

Tax Map of City of Trenton, Mercer County, New Jersey



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: July 15, 2010

Summary:

I am requesting that the Members authorize execution of the attached Seventh Amendment to Ground Lease between the Authority and L’Oreal USA.

Background:

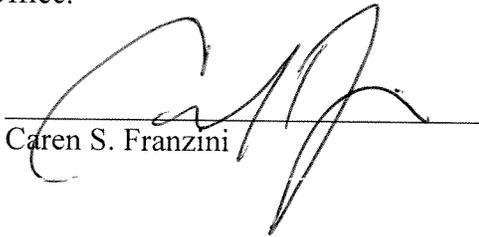
The Authority owns a 25-acre vacant land site in North Brunswick that we acquired from DKM Properties in 2005 for future technology-related development. The site is directly across Route 1 from the Technology Centre of New Jersey. At the November 2007 meeting of the Authority, the Members authorized execution of a Ground Lease with L’Oreal for development of its U.S. R&D headquarters on this site. The first phase of the project would include a 200,000 to 300,000 sq. ft. research and development facility with approximately 400 employees. Following 14 months of due diligence investigations and work by L’Oreal and Authority staff to obtain required easements and approvals, the parties executed a lease amendment in March 2009 confirming milestone dates for advancing the project.

Earlier this year, L’Oreal advised the Authority that current economic conditions will require the company to reassess its move to North Brunswick and revisit alternatives, including a possible expansion at its current location in Clark, New Jersey. This reassessment will likely extend into the first quarter of 2011. At the Authority’s request, L’Oreal has agreed to a further amendment of its ground lease that will establish an option period running through March 31, 2011. During this option period, L’Oreal will finalize its internal planning and reach a determination on its facility needs. In consideration for the grant of option, the Authority will receive a \$125,000 option fee, paid from L’Oreal’s Year One ground rent currently on deposit with the Authority. In addition, L’Oreal agrees to notify the Authority whether it will exercise the option and continue the project by March 31, over five months earlier than its next scheduled project milestone.

Attached is the proposed Seventh Amendment to Lease incorporating these revisions to the L'Oreal ground lease. The attached document 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 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 attached Amendment to Ground Lease between L'Oreal and the Authority, on final terms acceptable to the CEO and the Attorney General's Office.


Caren S. Franzini

Prepared by: David E. Nuse
Director – Real Estate

Seventh Amendment to Agreement and Ground Lease

This Seventh Amendment to Agreement and Ground Lease (the "Seventh Amendment"), dated as of and effective as of July , 2010 between

The New Jersey Economic Development Authority, 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, referred to in this Sixth Amendment as "NJEDA".

-and-

L'Oreal USA Products, Inc., a Delaware Corporation, with an office at 133 Terminal Avenue, Clark, New Jersey, 07066, referred to in this Sixth Amendment as "L'Oreal".

Background

A. NJEDA and L'Oreal entered into an Agreement and Ground Lease dated December 18, 2007 (the "Lease"), as amended by a total of five letter agreements, three of which are dated March 11, 2008, April 14, 2008 and October 2, 2008, and two of which are dated December 18, 2008, and a Sixth Amendment to Agreement and Ground Lease (the "Sixth Amendment") dated March 5, 2009, (collectively the "Lease Agreement")

B. NJEDA and L'Oreal desire to amend the Lease Agreement to toll certain time periods provided for in the lease Agreement.

C. NJEDA and L'Oreal did not pursue a Capital Review prior to July 1, 2010 as provided for in the Sixth Amendment.

Now, therefore, in consideration of the premises and the mutual covenants contained in this Seventh Amendment, it is agreed as follows:

1. **Background.** The background section of this Seventh Amendment is incorporated herein by reference as if set forth in length.
2. **Defined Terms.** For purposes of this Seventh Amendment, the terms used in this Seventh Amendment which are not defined in this

[Type text]

Seventh Amendment shall have the respective meaning as set forth in the Lease Agreement.

3. **Development Fee.** NJEDA and L'Oreal agree with respect to paragraphs 3, 4 and 5 (the "Paragraphs") of the Sixth Amendment that (i) the Paragraphs shall be of no further force and effect, and (ii) they waive the effect of any failure to perform any of the obligations set forth in the Paragraphs by either or both of them. In the event L'Oreal proceeds with the Project, L'Oreal shall be responsible for all development fees in support of affordable housing as then currently required by the laws of the State of New Jersey in connection with the development or construction of the Project.

4. **Tolling of Time Periods.** All time periods provided for in the Lease Agreement not heretofore expired, shall be tolled for a period extending from the date hereof through March 31, 2011 (the "Tolling Period"). If during the Tolling Period, L'Oreal shall exercise the option to resume the time periods of the Lease Agreement, then the tolling shall cease and time periods shall resume as of the effective date of the Option Notice as provided for in paragraph 5 below.

5. **Option to Resume.** L'Oreal shall have the option to resume the running of the time periods pursuant to the Lease Agreement during the Tolling Period by giving notice of resumption of the Lease Agreement time periods to NJEDA (the "Option Notice") together with L'Oreal's check for \$125,000, payable to NJEDA (to be applied to the first annual rent payment as provided for in paragraph 7 below). The Option Notice shall be given in accordance with Article X of the Lease. All tolled time periods shall begin to run again from the date of the giving of the Option Notice.

6. **Option Consideration.** In consideration of the tolling of the Lease Agreement time periods and the option to terminate the tolling and resume the time periods, NJEDA shall receive an option payment of \$125,000. The option payment shall be made as of the date hereof by the NJEDA applying \$125,000 out of the first annual rental payment deposit previously paid to NJEDA by L'Oreal as set forth in background paragraph 2B of the Lease, which funds shall be immediately available to NJEDA.

7. **First Annual Rent Payment.** As of the date hereof, the sum of \$125,000 shall be deemed deposited on account of the first annual rent payment of \$250,000. In the event L'Oreal gives the Option Notice, then the payment of \$125,000 accompanying the Option Notice shall be applied to the deposit for the first annual rent payment and thereafter the deposit shall be in the amount of \$250,000.

8. **Marketing.** During the Tolling Period, NJEDA may engage in limited and discreet marketing of the property described on Exhibit A-1 of the real estate

Lease Agreement (the "Property"). NJEDA agrees that it shall not list the Property with a broker or advertise the availability of the Property in any media or through third parties. NJEDA personnel may contact prospective users and developers to discuss the availability of the Property. The interest of L'Oreal in the Property shall be disclosed to any prospective user or developer. Marketing of the Property by NJEDA shall cease in the event L'Oreal gives the Option Notice.

9. **Termination of Lease Agreement.** The Lease Agreement shall be terminated and be of no further force and effect upon the happening of the earlier of either of the following:

(a) The failure of L'Oreal to timely give the Option Notice.

(b) The receipt by L'Oreal of (i) internal corporate approval and all approvals, including building permits, from all governmental agencies having jurisdiction, for the construction of a research and development facility on Lot 4 in Block 58 in the Township of Clark, New Jersey, with the expiration of all rights of appeal without an appeal filed or if filed, that it is successfully defended and (ii) the closing of title to L'Oreal's purchase of Lot 4 in Block 58 in the Township of Clark, New Jersey.

In the event of termination of the Lease Agreement pursuant to this paragraph 9 of this Seventh Amendment, L'Oreal shall forfeit any and all rent paid to the date of termination and thereafter neither party shall have any further responsibility to the other under the Lease Agreement or with respect to the Property.

10. **Pollution Legal Liability Policy.** L'Oreal acknowledges receipt of the final pollution legal liability policy pursuant to Article XXII of the Lease.

11. **Authority.** By signing this Seventh Amendment, the parties individually represent and warrant that they have the authority to sign this Seventh Amendment on behalf of the party for whom they are signing and to bind such party to this Seventh Amendment.

12. **Full Force and Effect.** Except as amended by this Seventh Amendment, all terms, conditions and covenants of the Lease Agreement shall remain in full force and effect.

13. **Binding Effect.** This Seventh Amendment shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

14. **Governing Law.** This Seventh Amendment shall be governed by and construed in accordance with the substantive laws of the State of New Jersey (without reference to its principles of conflicts of laws), and the parties submit to the jurisdiction of the courts of the State of New Jersey.

[Type text]

15. **Counterparts; Facsimile.** It is understood and agreed that this Seventh Amendment may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same agreement, even though all of the parties may not have executed the same counterpart of this Seventh Amendment. A fully executed facsimile copy of this Seventh Amendment shall be deemed an original for all relevant purposes.

16. **Estoppel.** The NJEDA and L'Oreal each hereby certify and agree that: (i) neither party is in default under any of the terms of the Lease Agreement; (ii) all obligations and conditions under the Lease Agreement to be performed to date by each of the parties has been satisfied or waived; (iii) no event has occurred which with the passage of time or the giving of notice, or both, would constitute an event of default by either party under the Lease Agreement; and (iv) neither party has any current defenses or claims against the other or rights of offset against an sums payable under the Lease Agreement or otherwise.

Signed and sealed by the parties.

New Jersey Economic Development
Authority
By:

L'Oreal USA Products, Inc.
By:
