



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: October 11, 2011
SUBJECT: Agenda for Board Meeting of the Authority October 11, 2011

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

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

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

September 6, 2011

MINUTES OF THE SPECIAL MEETING

Members of the Authority present: Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Wayne Staub representing the Commissioner of the Department of Environment Protection; Public Members: Joseph McNamara, Vice Chairman, and Laurence Downes.

Members of the Authority present via conference call: Al Koepp, Chairman; Matt McDermott representing the Executive Branch; Steve Petrecca representing the State Treasurer; Dr. Aaron Fichtner representing the Department of Labor and Workforce Development; Public Members: Marjorie Perry, Kate Whitman, Timothy Carden, Ray Burke, First Alternate Public Member; and Kevin Brown, Third Alternate Public Member.

Absent from the meeting: Public Members, Charles Sarlo, Rich Tolson, Elliot M. Kosoffsky, Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; Nicole Crifo, Governor's Authorities' Unit and staff.

Chairman Koepp called the meeting to order at 4pm.

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.

MAIN STREET

ITEM: Main Street Disaster Relief Program

REQUEST: Based on the Authority's desire to support the State's efforts in assisting those businesses negatively affected by Hurricane Irene, approval to temporarily modify the Main Street Line of Credit Guarantee Program and waive fees is requested, as well as delegation to the CEO to extend the program as warranted, delegation to staff to approve extensions to individual terms not to exceed 24 months, and authorization to promulgate the attached rule proposal to implement the program in the NJ Register, subject to review and approval of the Division of Law, Office of the Attorney General.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. McNamara AYES: 12

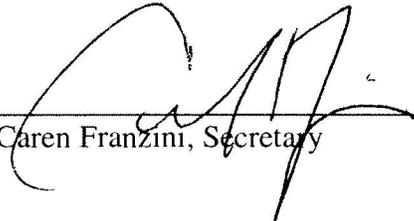
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Staub, and seconded by Mr. Downes, the meeting was adjourned at 4:22 pm.

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



Caren Franzini, Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

September 14, 2011

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Matt McDermott representing the Executive Branch; Dr. Aaron Fichtner representing the Department of Labor and Workforce Development; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Wayne Staub representing the Commissioner of the Department of Environment Protection; Public Members: Marjorie Perry, Kate Whitman, Timothy Carden, Charles Sarlo, Ray Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; Kevin Brown, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Members of the Authority present via conference call: Joseph McNamara, Vice Chairman; Laurence Downes, and Rich Tolson.

Absent from the meeting: Steve Petrecca representing the State Treasurer.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; Nicole Crifo, Governor's Authorities' Unit and staff.

Chairman Koepp called the meeting to order at 2 p.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 August 16, 2011 meeting minutes. A motion was made to approve the minutes by Mr. Staub, seconded by Ms. Graves, and was approved by the 9 voting members present.

Vice Chairman McNamara abstained because he was not present.

Mr. Kosoffsky abstained because he was not present.

Mr. Carden abstained because he was not present.

Mr. Sarlo abstained because he was not present.

The next item of business was the approval of the August 25, 2011 meeting minutes. A motion was made to approve the minutes by Mr. Brown, seconded by Ms. Graves, and was approved by the 9 voting members present.

Mr. Kosoffsky abstained because he was not present.

Mr. Carden abstained because he was not present.

Mr. Sarlo abstained because he was not present.

Mr. Burke abstained because he was not present.

The next item of business was the approval of the September 6, 2011 meeting minutes. A motion was made to approve the minutes by Ms. Graves, seconded by Mr. Brown, and was approved by the 10 voting members present.

Mr. Kosoffsky abstained because he was not present.

Mr. Sarlo abstained because he was not present.

Mr. Tolson abstained because he was not present.

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

Mr. McDermott entered the meeting at this time.

AUTHORITY MATTERS

ITEM: Annual EDA Board Meeting

REQUEST: The next item is to approve the committee appointments, appointment of the assistant secretaries, election of a vice chair and treasurer, and adopt a schedule for monthly Board meetings through September 2011.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

FOR INFORMATION ONLY: Resolved executive session items from the past calendar year

Ms. Perry entered the meeting at this time.

BOND RESOLUTIONS

PROJECT: Bais Rivka Rochel, Inc.

APPL.#36763

LOCATION: Lakewood/Ocean Cty.

PROCEEDS FOR: refinance existing debt

FINANCING: \$3,500,000 Tax-Exempt Bond

PROJECT: Bais Rivka Rochel, Inc.

APPL.#34035

LOCATION: Lakewood/Ocean Cty.

PROCEEDS FOR: refinance existing debt

FINANCING: \$11,500,000 Tax-Exempt Bond

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown

AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PROJECT: Century Packaging, Inc. **APPL.#36372**
LOCATION: East Brunswick/Middlesex Cty.
PROCEEDS FOR: equipment purchase
FINANCING: \$1,620,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Staub AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Ilan High School **APPL.#35701**
LOCATION: Ocean Twp./Monmouth Cty.
PROCEEDS FOR: building acquisition and renovation
FINANCING: \$2,400,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Brown AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

AMENDED BOND RESOLUTIONS

PROJECT: Hamilton Area Young Men's Christian Association **APPL.#36855**
LOCATION: Hamilton Twp./Mercer Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$9,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Carden AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Engel Burman at Woodcliff Lake, LLC **APPL.#35572**
LOCATION: Woodcliff Lake/Bergen Cty.
PROCEEDS FOR: building construction
FINANCING: \$38,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. McDermott SECOND: Ms. Perry AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: UMM Energy Partners, LLC **APPL.#36870**

LOCATION: Montclair/Essex Cty.

PROCEEDS FOR: building construction

MOTION TO APPROVE: Mr. Brown **SECOND:** Ms. Graves **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Chairman Koeppe recused himself because of a relationship with one of the firms involved with the project.

Mr. Downes recused himself because of a relationship with one of the firms involved with the project.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Brown **AYES: 15**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Saint Peter's College **APPL.#36762**

LOCATION: Jersey City/Hudson Cty.

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$357,842 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Wilson's Service Station **APPL.#34439**

LOCATION: East Orange/Essex Cty.

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$109,463 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Richard Florek **APPL.#34786**

LOCATION: Middlesex/Middlesex Cty.

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$164,672 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Ness, Inc. **APPL.#33776**

LOCATION: Chatham Township/Morris Cty.

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$262,092 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: George's Friendly Service **APPL.#33693**
LOCATION: Dumont/Bergen Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$256,001 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Domenico Susini III **APPL.#34709**
LOCATION: Leonia/Bergen Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$82,186 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Bildee Corporation **APPL.#35765**
LOCATION: Middletown/Monmouth Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$278,495 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Estate of Conrad Vuocolo, Jr. **APPL.#34741**
LOCATION: Point Pleasant/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$227,422 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Boys and Girls Club of America **APPL.#35730**
LOCATION: Asbury Park/Monmouth Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$267,411 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Warren Isaacs **APPL.#34014**
LOCATION: Linden/ Union Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$105,937 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Pillar of Fire **APPL.#34516**
LOCATION: Franklin/Somerset Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$155,760 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Catherine Brettell **APPL.#34328**
LOCATION: Bordentown/Burlington Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$160,043 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: John Carver **APPL.#36779**
LOCATION: Lakewood/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$294,696 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Paul Adams **APPL.#36375**
LOCATION: Ridgewood/Bergen Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$103,050 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Teri Horowitz **APPL.#35716**
LOCATION: Monroe/Middlesex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$126,585 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Eleanor Bauza **APPL.#36071**
LOCATION: Cherry Hill/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$114,899 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Lucy Bajcic **APPL.#36000**
LOCATION: Dover/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$101,657 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Estate of Joseph Shymko **APPL.#36859**
LOCATION: Kearny/Hudson Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$24,352 Petroleum UST Remediation, Upgrade, & Closure Fund Loan

PROJECT: St. Cecilia Church (St. Cecilia Rectory) **APPL.#34222**
LOCATION: Kearny/Hudson Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$179,255 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Joyce Newland **APPL.#35196**
LOCATION: Salem/Salem Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$208,499 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Mary Ellen Denero **APPL.#36513**
LOCATION: Dover/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$159,221 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

INCENTIVE PROGRAMS

ITEM: Proposed Rule Amendments – Economic Redevelopment and Growth (ERG) Program / Urban Transit Hub Tax Credit Program

REQUEST: Approve revisions to the proposed amendments to the rules implementing the Economic Redevelopment and Growth (ERG) Program and Urban Transit Hub Tax Credit Program pursuant to statutory revisions enacted by Governor Christie as P.L. 2011, c. 89 on July 26, 2011.

MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

BUSINESS EMPLOYMENT INCENTIVE PROGRAM AND BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT PROGRAM

FOR INFORMATION ONLY: Historical listing of all BRRAG tax credits issued since the management of the program transitioned to EDA from the former Commerce Commission in State FY 2009 through SFY2011, which ended on June 30. Also included are the “new “ BRRAG tax credits approved by EDA’s board since the amended BRRAG legislation was introduced (February 2011) through present.

PROJECT: Universal Photonics, Inc. and J.H. Rhodes Co, Inc. **APPL.#36891**
LOCATION: TBD **BUSINESS:** wholesale
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Staub **SECOND:** Mr. McDermott **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Vitech Systems Group, Inc. **APPL.#36873**
LOCATION: TBD **BUSINESS:** printing and publishing
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Carden **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Watson Pharmaceuticals, Inc. and Affiliates **APPL.#36878**
LOCATION: North Brunswick/Middlesex Cty. **BUSINESS:** pharmaceuticals
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Staub **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

ITEM: Transfer of Business Retention and Relocation Assistance Grant (BRRAG) Tax Credit from Pitney Bowes, Inc. to FactSet Research Systems Inc.
REQUEST: Approve the BRRAG Tax Credit Certificate Transfer Application of Pitney Bowes, Inc. to transfer unused tax credits to FactSet Research Systems Inc.
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

FILM TAX CREDIT TRANSFER PROGRAM

ITEM: New Jersey Film Tax Credit Program – List of Projects for Approval
REQUEST: Approve the following Film Tax Credit Projects, subject to the Act, Regulations and further satisfactory review by the staff, Film Commission and Taxation.
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Brown **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Choke Film LLC
MAX AMOUNT OF TAX CREDITS: \$57,000

PROJECT: 495 Productions Inc.
MAX AMOUNT OF TAX CREDITS: \$420,000

PROJECT: County Road K LLC
MAX AMOUNT OF TAX CREDITS: \$23,545

PROJECT: Copper Canyon Limited Liability Company
MAX AMOUNT OF TAX CREDITS: \$96,148

PROJECT: Event Services, Inc.
MAX AMOUNT OF TAX CREDITS: \$400,000

PROJECT: Northern Entertainment Inc.
MAX AMOUNT OF TAX CREDITS: \$9,003,307

URBAN TRANSIT HUB TAX CREDIT PROGRAM (HUB)

PROJECT: Pearson, Inc. and related entities

REQUEST: Approve the factual finding that the 646 “at risk” jobs, as represented in the application certified by the President of Pearson, are actually at risk of leaving the State.

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

PROJECT: Pearson, Inc. and related entities

REQUEST: Approve Urban Transit Hub Tax Credit program application for Pearson, Inc. and related entities under P.L. 2007, c. 346, P.L. 2008, as amended on July 26, 2011, as a tenant in the proposed new commercial real estate projects on an eligible site, with at least 250 employees, in Hoboken, NJ for a tax credit in the amount up to \$82,548,489.

MOTION TO APPROVE: Mr. Staub SECOND: Mr. Brown AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM

ITEM: Technology Business Tax Certificate Transfer Program

REQUEST: The next item is to approve 73 projects and disapprove 10 projects for the 2011 program cycle which have been evaluated according to the criteria established by the Members of the Board.

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

BOARD MEMORANDUMS

ITEM: Barclays Bank Plc. (Barclays)/Lehman Brothers Holdings, Inc. Structured Finance Program

REQUEST: 1) Extend the closing date on the transfer to Barclays of EDA’s assets purchased by LBHI under a structured finance agreement with EDA for six months to allow for the LBHI plan to be confirmed in bankruptcy. In exchange for the extension, Barclays will sign a Letter of Understanding and will escrow \$117,829 at EDA to pay the reset fee owed in conjunction with the asset transfer and 2) delegate approval to staff to provide up to two additional six month extensions in the event that the bankruptcy is not resolved by March 29, 2013.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Randall Enterprises, LLC

APPL.#14907

LOCATION: Wayne/Passaic Cty.

FINANCING: \$2,040,000 Tax-Exempt Bond

REQUEST: Consent to modifications to the Bond to (i) change the existing fixed interest rate of 4.26% to the tax exempt equivalent of LIBOR + 275 basis points; (ii) change the amortization schedule to reflect the new interest rate, (iii) change call date to the tenth year from the effective date of the modification date; and modify related rate reset provisions.

MOTION TO APPROVE: Mr. Staub SECOND: Ms. Perry AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Campbell Soup Company

APPL.#36344

LOCATION: Camden/Camden Cty.

FINANCING: \$41,224,519 Urban Transit Hub (HUB) Tax Credit

REQUEST: Modify the existing approval of the HUB tax credit to lower the nominal award amount over ten years from \$41,224,519 to \$34,191,809. The present value of the HUB tax credit will also be reduced from \$30,341,605 to \$25,165,469.

MOTION TO APPROVE: Mr. Staub SECOND: Mr. McDermott AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

FOR INFORMATION ONLY: The next item is a summary of projects approved under Delegated Authority in August 2011.

New Jersey Business Growth Fund: Ahern Painting, Inc.; Wall Associates, LLC

Small Business Fund: AMSF Holdings, LLC; Glass Artistry Architectural Glass & Metal LLC

New Jersey Business Growth Fund – Modification: Abilities of Northwest Jersey, Inc.

REAL ESTATE

PROJECT: Higher Education Public Private Partnership Program

Montclair State University

Combined Heating, Cooling and Power Plant

LOCATION: Montclair/Essex Cty.

REQUEST: Authorize the Authority's staff to approve Montclair State University's application to develop a combine heating, cooling and power plant and related distribution system on the Applicant's campus under the Higher Education Public Private Partnership Program, P.L. 2009, c.90

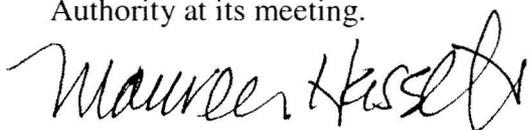
This item was held from consideration.

PUBLIC COMMENT

Anthony Argiropoulos, Esq., Sills, Cummis, and Gross stated that his client Amaresco was an unsuccessful bidder on the Montclair State University energy project, which is the subject of an ongoing legal matter. He wanted confirmation that the earlier ruling for UMM Energy Partners, LLC was non-binding and preliminary. Deputy Attorney General Bette Renaud confirmed that it was preliminary, and only for the bond issuance related to the proposed project.

There being no further business, on a motion by Ms. Perry, and seconded by Mr. Carden, the meeting was adjourned at 3:30pm.

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.

A handwritten signature in black ink, appearing to read "Maureen Hassett", written over a horizontal line.

Maureen Hassett, Assistant Secretary



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

RE: Chief Executive Officer's Report to the Board

NEW JERSEY AWARDED OVER \$33 MILLION IN FUNDING THROUGH STATE SMALL BUSINESS CREDIT INITIATIVE

Governor Chris Christie and Lt. Governor Kim Guadagno recently announced that the State of New Jersey has been allocated \$33.8 million in funding through the State Small Business Credit Initiative (SSBCI), part of the federal Small Business Jobs Act of 2010. The intent of the SSBCI, which is to create jobs and strengthen state lending programs, mirrors New Jersey's recent efforts to enhance its support of the state's small business community.

The funds from SSBCI will be received by the New Jersey Department of Treasury in three tranches over two years, based upon at least an 80-percent commitment of the first and then second distributions. Through a Memorandum of Understanding, the EDA will use the funds to deploy loans, credit guarantees and loan participations through its existing small business lending programs, and to make a venture capital investment. Funds will be targeted to small businesses, small manufacturers, and women and minority-owned enterprises, with a particular focus on businesses that are located in underserved communities throughout New Jersey.

FMERA UPDATE – FORT MONMOUTH MARKS OFFICIAL CLOSURE

Fort Monmouth officially closed at 12:01 am on September 16, 2011. The EDA's Trenton and Eatontown Offices are enthusiastically looking forward to the challenge and opportunity the closed Post presents. This enthusiasm is fueled by the very high level of interest of the Fort property that we have had by developers, investors, and employers from all parts of the United States.

The Fort's Suneagles Golf Course reopened on Friday, September 30, 2011. The Golf Course will be open seven days a week and all year round, weather permitting. The reopening of Suneagles is the first step in the continued life of Fort Monmouth.

The Fort property is being secured and monitored by the New Jersey State Police (NJSP). The FMERA's top priority is fort security and FMERA's excellent partnership with the NJSP has provided a secure environment at the Fort that will attract investors and employers and provide a safe place for all of the Fort's visitors.

ERB-SUPPORTED COOPER BUILDING CELEBRATES RIBBON CUTTING MARKING FIRST HIGH-END CONDO BUILDING IN CAMDEN

M&M Development LLC hosted a ribbon-cutting ceremony for The Cooper Building in mid-September, marking the first market-rate, high-end condominium building in the City of Camden in the modern era. Women-owned M&M, which was founded by two immigrants from Spain, previously completed Cathedral Homes in Newark's Central Ward; Villa Esperanza - Village of Hope in Newark's South Ward; and, 103 Magazine Street in Newark. With success in Newark, M&M decided to expand their reach to Camden by developing The Cooper Building in partnership with Arline Construction Services, a Camden-based Minority Business Enterprise. The twenty-five unit condominium offers loft-style living and energy-saving, green features.

According to the local civic association, creating market-rate housing in the neighborhood was something community residents had wanted for a long time. The \$6.8 million project was supported with a \$3.58 million soft loan from the EDA's Economic Recovery Board, as well as assistance through NJHMFA's CHOICE program.

FINANCING ACTIVITY

Through the month of September, EDA closed financing and incentives totaling over \$577 million for 145 projects that are expected to spur the creation of nearly 9,000 new, full-time jobs and leveraging over \$2.4 billion in total public/private investment.

- In lending activity, EDA closed financing totaling over \$253 million for 114 projects that are expected to spur the creation of just over 738 new, full-time jobs and leveraging over \$585 million in total public/private investment.
- Through our incentive programs, EDA closed on 31 projects totaling over \$323 million in estimated benefits that are expected to create just over 8,200 new, full-time jobs and leveraging over \$1.8 billion in total public/private investment.

The following are among the businesses/projects assisted in September:

Solar Nation, which closed on a BEIP grant of just over \$1.5 million. Solar Nation is an Edison-based full service designer, engineer, and builder of solar energy systems serving commercial business, government, and not-for-profit organizations. This assistance will support the creation of an estimated 60 new jobs. This assistance will enable the company to establish its corporate office in New Jersey instead of Pennsylvania or Massachusetts, which will result in the creation of 60 new jobs and leverage \$320,000 in capital investment.

Saint Peter's College, which closed on nearly \$25 million in tax-exempt bond financing. Saint Peter's College is a 501(c)(3) not-for-profit organization founded in 1872 as a liberal arts college and is one of twenty-eight Jesuit colleges and universities in the U.S. This assistance will enable the college to construct an 88,000 sq. ft., six story student campus center on 1.5 acres on its Jersey City campus together with adjacent parking and landscaping. Through this project, Saint Peter's College will create 35 new, permanent jobs and 225 construction jobs.

EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH

EDA representatives participated as speakers, attendees or exhibitors at 23 events in August. These included the Montclair State University Dorm Project Dedication - a project which EDA assisted, the NJ State Chamber Business and Legislative Awards Reception in Atlantic City, and the Salem County Chamber of Commerce 2011 Economic Development Forum in Salem.

Additionally, Lt. Governor Guadagno, as well as several EDA and BAC staff members, participated as speakers at the 2011 Governor's Conference on Housing and Economic Development in Atlantic City.



AUTHORITY MATTERS



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Board

FROM: Caren S. Franzini
Chief Executive Officer

RE: Fund for Community Economic Development – Amendments to Loans to Lenders Component

DATE: October 11, 2011

The Members of the Board are requested to review funding and feature adjustments to the Loans to Lenders component of the Fund for Community Economic Development. These adjustments are recommended in order to increase the utilization and deployment of program funding by financial intermediary organizations including micro-lenders, Community Development Financial Institutions (CDFIs), and Urban Enterprise Zones (UEZs).

Background:

The Fund for Community Economic Development (“FCED”) was created in 1997 through a partnership with public utility companies (PSE&G and First Energy), the New Jersey Economic Development Authority, and the State of New Jersey. The purpose of the Fund was to provide a source of flexible financing to support urban community development, revitalize local economies, and provide employment for urban residents. To accomplish these goals, the Fund targeted two important needs for capital in urban markets – those of small businesses and real estate development. In support of the first goal, the Fund makes capital available to micro-lenders and other financial intermediary organizations, who can effectively reach small businesses in local markets (Loans to Lenders, or “LTL”). For community development real estate projects, the Fund also provides predevelopment assistance and permanent financing with flexible terms.

Since its inception, the Fund has closed on 68 financings, providing over \$20 million to micro-lenders and community development projects. These funds have leveraged another \$34 million from other public and private sources and it is estimated that over 1,250 full time permanent jobs have been created. Of the total \$20 million, \$7.95 million has funded 11 projects, representing 8 borrowers under the Loans to Lenders component of the Fund.

As part of EDA’s ongoing practice of assessing program fit with market needs, a cross functional team consisting of representatives from Finance and Development, Product Development, Underwriting and Closing, and Post Closing Financial Services was assembled in the spring of 2011 to review the performance to date of the LTL component of FCED. Concurrently, external outreach was undertaken to the community of entities that could make use of this resource (existing microlenders and UEZs) to solicit their feedback on whether existing program parameters are still correctly aligned with market needs. The feedback gathered was that there is a continued need for ongoing funding of this type but also a need for greater flexibility in several funding terms.

As a result of internal discussions and external outreach, a number of changes to the FCED Loans to Lenders component are now being proposed. Of note is that the changes identified in this recommendation have been reviewed and approved by the EDA Director’s Loan Review Committee and the Fund Review Committee, as well as the EDA Senior Leadership Team.

The first recommendation is to recapitalize the funding available under this component of the program. In order to provide meaningful funding to the marketplace of micro-lenders and small business revolving loan funds, and approximately 6 UEZs that administer successful revolving loan funds, a total of \$5 million is recommended to be committed to LTL. Two sources of funding support would be employed, with up to \$2 million being allocated from the current FCED and \$3 million from the State Small Business Credit Initiative (SSBCI). There are restrictions around the entities that could utilize the SSBCI funds, as outlined in the table below.

Funding Amount/Source	Entities Funded	Notes
\$3 Million / SSBCI	CDFI lenders only	SSBCI funds segregated for 5 years after which no longer restricted
\$2 Million / FCED	Non CDFI lenders	

The second category of recommendations is to change a number of program parameters as further identified below.

Proposed Program Changes:

1) Loan Limits – In order to utilize funding prudently, it is recommended that organizations that do not have a lending history with EDA through LTL be offered a lesser, initial amount. Once a successful track record is established, repeat borrowing can be increased to \$750,000. To qualify for this higher ceiling, evidence of established successful revolving loan fund, satisfactory repayments and reporting, and a minimum deployment of EDA funds is required.

- A) Up to \$500,000 for new program borrowers with demonstrated lending capacity (either self or contracted)
- B) Up to \$750,000 for existing program borrowers seeking to recapitalize their existing revolving loan program
- C) Maximum exposure of \$750,000 to any one entity

2) Terms – The following terms are recommended as a means to align LTL with the marketplace of funding sources, such as banks and foundations, which organizations use to capitalize their revolving loan funds. These terms also ease the repayment of funding and provide greater flexibility for borrowers to revolve LTL dollars.

- A) Principal moratorium for up to 5 years (interest-only for this period), then principal and interest to fully amortize the loan for the remaining 10 years
- B) Fixed 2% interest rate
- C) 15 year term

3) Uses – In order to increase the amount of flexible capital available to small businesses and meet market need for alternatives to term loans, it is recommended that lines of credit be added as an allowable use of LTL funding.

4) Advances – Funding would be advanced as it is currently – 1/3rd at closing and two additional tranches once 75% of the previous tranche is committed. However, there would be the additional requirement of full drawdown of EDA funds within 2 years.

5) Reporting – To meet reporting requirements for federal funding and to demonstrate effectiveness, it is recommended that reporting requirements be increased to quarterly and annually. Statistics may include, but not be limited, to such items as number of projects, location of projects, amount of LTL funding by project and totals, leverage of private funding per project and total, full-time employment creation and maintenance, women and minority ownership of businesses, and the like.

6) Repayments – In order to accommodate business requests to align repayment with similar funding sources, it is recommended to change the loan repayment requirement from monthly to quarterly.

The following chart highlights the FCED LTL program terms and conditions as they currently exist along with the proposed changes to same.

PARAMETER	CURRENT	PROPOSED
Uses	Term Loans	Term Loans and Lines of Credit
Loan Limits	Up to 50% of loan with maximum of \$100,000 for start-up organizations, \$300,000 (developing organizations), and \$500,000 (mature organizations)	Up to \$500,000 (new entities) Up to \$750,000 (successful LTL history with EDA)
Rates and Terms	2% fixed interest rate Up to 10 year term with up to 3 year principal moratorium	2% fixed interest rate Up to 15 year term with principal moratorium for up to 5 years, then P & I to fully amortize the loan for the remaining 10 years

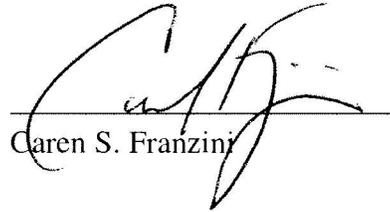
PARAMETER	CURRENT	PROPOSED
Disbursements	1/3 rd at closing and two additional tranches once 75% of the previous tranche is committed.	Unchanged around disbursement tranches. Full disbursement of funds within 2 years
Repayments	Monthly	Quarterly
Reporting	No more than once a year, generally is customized to each project	Increase to quarterly. May include reporting on additional parameters as related to use of Federal SSBCI funds
Collateral	Recourse to borrower	Unchanged
Reserves	15% against borrowed monies	Unchanged
Fees	Application fee: \$1,000 Commitment fee: 0.875% of loan amount Closing fee: 0.875% of loan amount Division of Taxation Tax Clearance Certificate Application Processing Fee: \$75 for standard processing; \$200 for expedited	Unchanged

Similar to other products, there are risks associated with these program revisions. All risks identified have a mitigation plan associated. There are no repayment or collection issues identified with the awardees under the current LTL program, with four of the eleven loans fully paid off. Staff will report quarterly to the Risk and Exposure Committee and the Directors Loan Review Committee on risk actuals and related mitigation plans, program acceptance, and project pipeline.

This program change will require amendment to the rules which staff anticipates will be brought to the November EDA Board for consideration, along with other rules amendments across other program areas.

Recommendation:

Staff recommends the Members of the Board approve the two principal categories of FCED LTL program change actions for further consideration: (1) to allow \$5 million to be offered within the Loans to Lenders component; and (2) to revise the terms and conditions of the current FCED LTL program to allow for lines of credit, phased funding limits based on an entities' history, 2% fixed interest rate pricing for up to a 15 year term with a 5 year principal moratorium, and increased reporting requirements to coincide with SSBCI funding parameters.



Caren S. Franzini

Prepared by: Barbara Pierce

BOND RESOLUTIONS

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

APPLICANT: Congregation Agudath Israel of West Essex, Inc.

P36721

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 20 Academy Road

Caldwell borough (N)

Essex

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

APPLICANT BACKGROUND:

Congregation Agudath Israel of West Essex, Inc., a 501(c)(3) not-for-profit organization, is a synagogue with over 9,000 membership units serving the Essex County community since the 1920's. It provides civil, cultural and social programming to residents in Essex and Morris Counties in a 65,000 sq. ft. facility in Caldwell, Essex County, which includes an early childhood center, K-12 School, college outreach, and activities for families and seniors. The project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause. Stuart Berger is the President and Rabbi Richard Hammerman is the Executive Director.

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

APPROVAL REQUEST:

Authority assistance will enable the Applicant to refinance a line of credit provided by Lakeland Bank.

FINANCING SUMMARY:

BOND PURCHASER: Lakeland Bank (Direct Purchase)

AMOUNT OF BOND: up to \$6,255,000 Tax-exempt Bond

TERMS OF BOND: 25 years; Fixed interest rate based on the tax-exempt equivalent of Federal Home Loan Bank of NY rate plus 225 basis points for 5, 7 or 10 years; subject to call options on 10th and 20th anniversaries and rate resets at the expiration of the chosen rate period at the same index. Estimated rates and floor for each option as of 9/28/2011 are 2.75% for 5 yrs., 3.25% for 7 yrs., or 3.75% for 10 yrs.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$6,135,000
Legal fees	\$65,000
Finance fees	\$55,000
TOTAL COSTS	\$6,255,000

JOBS: At Application 131 Within 2 years 2 Maintained 0 Construction 0

PUBLIC HEARING: 07/14/11 (Published 06/29/11) **BOND COUNSEL:** McManimon & Scotland

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: T. Wells

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

APPLICANT: Congregation Bnos Yaakov, Inc.

P36840

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 2 Kent Rd.

Lakewood Township (T/UA)

Ocean

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

APPLICANT BACKGROUND:

Congregation Bnos Yaakov, Inc. is a 501(c)(3) organization formed in 1999 to operate The Congregation Bnos Yaakov Elementary School in Lakewood, Ocean County. The School, located in three buildings totaling 38,000 sq. ft. on approx. 6 acres, has an enrollment of 587 students in grades K - 8th grade and 80 employees. Rabbi Yossi Herskovits is the Executive Director. The project has been reviewed and approved by the Attorney General's Office relating to the First Amendment's Establishment Clause.

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

APPROVAL REQUEST:

Authority assistance will enable the Applicant to refinance existing debt (from Sovereign Bank in 2008 at 6% for 5 years with 20 year amortization) used to purchase the School plus pay costs of issuance.

FINANCING SUMMARY:

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

AMOUNT OF BOND: up to \$2,400,000 Tax-exempt Bond

TERMS OF BOND: 20 years; Variable interest rate based on the tax-exempt equivalent of 1 month LIBOR plus 280 basis points. On the closing date, the borrower may enter into a 10 year fixed interest rate swap estimated at 4.03% as of 9/8/2011; subject to a call option on 10th anniversary.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$2,297,800
Legal fees	\$55,000
Finance fees	\$47,200
TOTAL COSTS	<hr/> \$2,400,000 <hr/>

JOBS: At Application 80 Within 2 years 2 Maintained 0 Construction 0

PUBLIC HEARING: 08/16/11 (Published 08/02/11) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: T. Wells

AMENDED BOND RESOLUTIONS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

SUBJECT: NJEDA/School Facilities Construction Bonds Program
Merrill Lynch Capital Services, Inc. 2003 Swap Agreement

REQUEST SUMMARY

The Authority is currently being asked by Merrill Lynch, Pierce, Fenner & Smith Inc. to approve a transfer by novation from Merrill Lynch Capital Services, Inc. (“Merrill Lynch”) to Bank of America, N.A. of all of Merrill Lynch’s rights, liabilities, duties and obligations under a swap agreement with the Authority and associated with the School Facilities Construction Bonds. To accomplish this transfer, the Authority, Merrill Lynch and Bank of America, N.A. will enter into a novation agreement (the “Novation Agreement”).

BACKGROUND

In 2003, the Authority, for the benefit of the State’s School Facilities Construction Bond Program, entered into a forward starting swap agreement with Merrill Lynch pursuant to an ISDA Master Agreement, including the Schedule and Credit Support Annex thereto and a Confirmation evidencing the transaction in the original notional amount of \$500 million, each dated as of May 5, 2003 (collectively, the “Merrill Lynch Swap Agreement”). The Merrill Lynch Swap Agreement was amended in 2007 to change the effective date from March 1, 2007 to May 1, 2010 and extend the termination date from March 1, 2032 to March 1, 2035. The Merrill Lynch Swap Agreement, as amended, became effective on May 1, 2010. On February 11, 2011, the Merrill Lynch Swap Agreement was further amended, reducing the notional amount to \$324,060,672 and amending the fixed interest rate paid by the Authority to 4.251% and the floating rate the Authority receives from Merrill Lynch to 62% of 1 month LIBOR plus 40 basis points. The further amended swap became effective on February 22, 2011 (the “Existing Merrill Lynch Swap Agreement”).

In 2009, Merrill Lynch & Co., Inc. merged with Bank of America Corporation, and in connection with the merger, the combined company has requested the transfer by novation of the Existing Merrill Lynch Swap Agreement to Bank of America, N.A. All material terms of the Existing Merrill Lynch Swap Agreement, as novated, will remain the same. In addition, the credit rating relevant to the swap will improve from Merrill Lynch & Co., Inc.’s ratings with respect to Moody’s, Standard & Poor’s and Fitch of Baa1/A/A+ to Bank of America, N.A.’s respective ratings of A2/A+/A+.

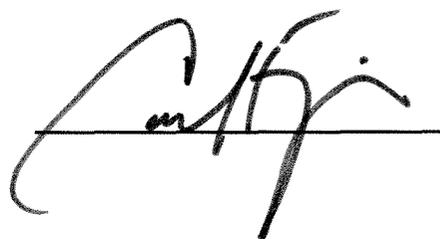
The Members of the Board are requested to approve the adoption of the Twenty-Seventh Supplemental Resolution authorizing the transfer by novation of the rights, liabilities, duties and obligations of Merrill Lynch under the Existing Swap Agreement to Bank of America, N.A., and the delegation to an Authorized Officer of the Authority, the authority to execute and deliver a novation agreement in substantially the form attached to and made a part of the Twenty-Seventh Supplemental Resolution and such other documents, instruments and papers in customary form as may be necessary in connection with the novation. The Twenty-Seventh Supplemental Resolution also will authorize Authority staff to take all necessary actions incidental to the novation of the Existing Merrill Lynch Swap Agreement.

McManimon & Scotland was selected as Bond Counsel for this transaction in compliance with Executive Order No. 26 and through a competitive RFP/RFQ process performed by the Attorney General's Office on behalf of Treasury for State appropriation backed transactions.

The transfer of the Existing Merrill Lynch Swap Agreement has been reviewed and approved by the State Treasurer. The Office of Public Finance, Attorney General's Office and Bond Counsel also have reviewed the transfer and the novation agreement.

RECOMMENDATION

Based on the above, staff recommends the Board adopt the Twenty-Seventh Supplemental Resolution to effectuate the transfer by novation of the rights, liabilities, duties and obligations of Merrill Lynch under the Existing Merrill Lynch Swap Agreement to Bank of America, N.A. and authorize Authority staff to take all necessary actions incidental to the swap novation, including without limitation, the execution and delivery of the novation agreement and such other documents, instruments and papers in customary form as may be necessary, subject to review and approval of all documents, instruments, certifications and other necessary documentation by the Authority, Office of Public Finance, State Treasurer, Attorney General's Office and Bond Counsel.

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and appears to be the name of the preparer, Teresa Wells.

Prepared By: Teresa Wells

PRELIMINARY RESOLUTIONS

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

APPLICANT: Assisted Living, Inc.

P36923

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 1266 River Road

Hopewell Township (N)

Mercer

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

APPLICANT BACKGROUND:

Assisted Living, Inc. (ALI), formed in 1998, provides medical and home health care daily living services for senior citizens and disabled individuals to continue living at home. The applicant has received approval from the Township of Hopewell, Mercer County, to build a 4 unit, 2,500 s. f. independent living facility on a 3.5 acre site for medically disabled adults who require assistance with daily living activities and medical care. Each unit will include a bedroom, bathroom, living room and kitchenette. ALI is also planning to build on an adjacent 1.5 acre property a house for 4 developmental disabled adults, which they anticipate will be funded by the NJHMFA Special Needs Housing Trust Fund and not part of the current bond request. All operating expenses are projected to be funded by NJ Department of Human Services, Division of Developmental Disabilities. Since January 2010 ALI has managed a 72 unit Green Certified Community assisted living facility in Ewing, Mercer County, which was developed by Lynn Developers, a related entity. Rebecca Lynn is the Executive Director of the assisted living facility in Ewing as well as the new independent living centers.

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

APPROVAL REQUEST:

Authority assistance will enable the applicant to acquire the aggregate 5 acre property with 3 existing buildings totaling 6,100 s.f. and build the 2,500 s. f. facility to house the medically disabled residents. Future use of the existing buildings has not been determined.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$650,000
Construction of new building or addition	\$472,750
Land	\$350,000
Developers Fee	\$200,000
Engineering & architectural fees	\$57,400
Finance fees	\$48,763
Legal fees	\$22,500
Accounting fees	\$7,500
TOTAL COSTS	\$1,808,913

JOBS: At Application 0 Within 2 years 9 Maintained 0 Construction 4

PUBLIC HEARING:

DEVELOPMENT OFFICER: P. Ceppi

BOND COUNSEL: McManimon & Scotland

APPROVAL OFFICER: M. Krug

MAIN STREET ASSISTANCE PROGRAM

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

APPLICANT: Packaging and Distribution Resources LLC et al

P36906

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 300 Kennedy Drive

Sayreville Borough (N)

Middlesex

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

APPLICANT BACKGROUND:

Packaging and Distribution Resources, LLC, Global Beauty Group, LLC, GT Partners Limited Liability Company and Lantier USA, LLC are related entities primarily engaged in the business of logistical services, contract warehousing and cosmetic product distribution. The four companies are related to each other through common ownership of Robert J. Sandbach and are collectively known as Sandbach Beauty Interests. Mr. Sandbach owns each company 100%. All of the companies are co-borrowers of this project.

This project involves the provision of working capital and the refinancing of an existing SBA term loan.

APPROVAL REQUEST:

Approve a \$125,000 participation of a \$500,000 Provident Bank term loan under the Main Street Business Assistance program. The proceeds will be used to refinance an existing SBA Term Loan and provide long term working capital.

FINANCING SUMMARY:

LENDER: Provident Bank

AMOUNT OF LOAN: \$500,000 term loan with a 25%, \$125,000, Authority participation

TERMS OF LOAN: 5-Year/5-Year Amortization
Fixed rate of 5.25%
Monthly principal and interest payments.

TERMS OF PARTICIPATION: 5-Year Term/5-Year Amortization
Fixed rate of 5%
Monthly principal and interest payments.

PROJECT COSTS:

Working capital	\$1,537,000
Refinancing	\$263,000
Finance fees	\$15,575
TOTAL COSTS	<u><u>\$1,815,575</u></u>

JOBS: At Application 84 Within 2 years 5 Maintained 84 Construction 0

DEVELOPMENT OFFICER: K. Durand

APPROVAL OFFICER: J. Wentzel

**PETROLEUM UNDERGROUND STORAGE TANK
PROGRAM**



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

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

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

Private Grant:

Pennypot Garage.....\$494,978

Prepared by: Lisa Petrizzi

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

APPLICANT: Pennypot Garage

P36860

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Pennypot Garage

Folsom Borough (N)

Atlantic

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

APPLICANT BACKGROUND:

Pennypot Garage, owned by Michael Ingemi, received a grant in March 2011 under P#30416 for \$32,270 to perform groundwater remediation for the closure of the former underground storage tanks (UST's) at the project site. The tanks will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the additional project costs are technically eligible.

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

APPROVAL REQUEST:

The applicant is requesting supplemental grant funding in the amount of \$494,978 to perform the approved scope of work at the project site, for a total funding to date of \$526,748.

The NJDEP oversight fee of \$49,448 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: \$494,978

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	\$494,978
NJDEP oversight cost	\$49,448
EDA administrative cost	\$500
TOTAL COSTS	\$544,926

APPROVAL OFFICER: K. Junghans



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

SUBJECT: Petroleum Underground Storage Tank Remediation, Upgrade and Closure Program – Delegated Authority Approvals
(For Informational Purposes Only)

Pursuant to the Boards approval on May 9, 2006, the Chief Executive Officer (“CEO”) and Managing Director of Finance & Development 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.

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 (UST’s) and non-leaking non-residential UST’s up to 2,000 gallons for eligible not for profit applicants. The limits allowed under the amended legislation is equivalent to the New Jersey Department of Environmental Protection cost guide.

Below is a summary of the Delegated Authority approvals processed by Finance & Development for the period September 1, 2011 to September 30, 2011. Leaking tank grant awards ranged from \$300 to \$97,000. Over 70% of the leaking tank grant awards were under \$20,000 and less than 6% were over \$50,000. Of these grants, 19 were partial grant awards and 56 were supplemental grant awards. Non-leaking tank grant awards ranged from \$255 to \$7,715.

Due to the number of grants awarded, the detailed report for each grant is not provided herein but can be made available for review by the members at any time.

	# Grants	\$ Amount
Leaking tank grants awarded	517	\$ 9,139,126
Non-leaking tank grants awarded	561	\$ 1,573,182
Total approvals for September 2011	1079	\$10,712,308

Prepared by: Lisa S. Petrizzi

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: October 11, 2011
SUBJECT: Hazardous Discharge Site Remediation Fund Program

The following municipal grant project has been approved by the Department of Environmental Protection for a grant to perform Remedial Investigation and Remedial action activities. The scope of work is described on the attached project summary.

Municipal Grant:
Township of Haddon (BDA Wide Groundwater)..... **\$149,790**

Prepared by: Lisa Petrizzi

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

APPLICANT: Township of Haddon (BDA Wide Groundwater)

P32623

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 208,209,224,230 Highland

Haddon Township (N)

Camden

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

APPLICANT BACKGROUND:

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

NJDEP has approved this request for Remedial Investigation(RI) and Remedial Action (RA) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A. According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects within a BDA, which involve the redevelopment of contaminated property for recreation and conservation purposes. The grant has been calculated off 75% of the RA costs (\$42,497) and RI costs of \$107,293. The Township is holding a court-ordered deposit for the remediation work in addition to an agreement with redeveloper to fund any RA costs not payable by the grant, which will fund 25% of the RA costs (\$14,166).

APPROVAL REQUEST:

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

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT\$149,790

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

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

APPROVAL OFFICER: K. Junghans

BUSINESS EMPLOYMENT INCENTIVE PROGRAM
BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT
SALES AND USE TAX EXEMPTION

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

APPLICANT: Biotrial S.A. and Affiliates

P36937

PROJECT LOCATION: TBD

Newark City (T/UA)

Essex County

GOVERNOR'S INITIATIVES:

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

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Founded in 1989 and headquartered in Rennes, France, Biotrial S.A. is a privately-owned independent contract research organization (CRO) that mainly provides early drug discovery and development services. It offers Phase I studies, clinical trial management, Phase II-IV studies and services, oncology, data management and biostatistics, labs, medical writing, quality assurance, and regulatory advice. The company has branches, offices, or subsidiaries in Paris, London, and Brussels. The Applicant is economically viable.

Biotrial runs over 80 studies per year, either in their own clinics in Rennes and Paris, or in cooperation with specialist hospitals and general practitioners. The company can manage every step of a drug discovery company's pharmaceutical compound development process. Today, Biotrial employs over 200 scientists from over 15 countries. Since the beginning of 2010, Biotrial has worked with eight of the world's ten largest pharmaceutical laboratories.

Biotrial is extending its reach and services into the United States, initially with a 100-bed research unit that will be built and preferably owned by the company. They have now narrowed down their choices to Newark, New Jersey, and Boston, Massachusetts along with New York. This research unit would perform mainly Phase I studies and serve Biotrial's established EU-based clients needing studies in the US as well as attracting new US-based clients to other Biotrial facilities outside the US. For that reason, Biotrial plans to establish a strong partnership with an academic or other large medical institution from which it can obtain specialized intellectual and clinical services as well as create medical and scientific collaboration. Approximately 50,000 sf of clinical and administrative space is needed. As a result of this new project, Biotrial is expected to create 60 positions.

In the event that this business chooses a certain smart growth area, such as a site in Newark, the BEIP score may increase to 80%, at which percentage an estimated amount of the grant would be \$1,226,400 over the term of the grant.

MATERIAL FACTOR:

The Applicant is seeking a BEIP grant to support creating 60 permanent full-time positions in New Jersey within the first two years. According to the Applicant, Northern New Jersey is competing with Boston (along with New York). The company has represented that a favorable decision by the Authority to award the BEIP grant is a material factor in the Applicant's decision to go forward with the project. Authority staff recommends the award of the proposed BEIP grant.

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 Biotrial S.A. 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: \$ 689,850
 (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 35 Year 2 25 Base Years Total = 60

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$11,497

ANTICIPATED AVERAGE WAGES: \$80,000

ESTIMATED PROJECT COSTS: \$30,000,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$1,533,000

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,609,650

PROJECT IS: (X) Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: _____

APPLICANT OWNERSHIP: () Domestic (X) Foreign France

DEVELOPMENT OFFICER: M. Abraham

APPROVAL OFFICER: D. Sucsuz

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Newark City	N/A
2. Job Creation	60	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:	\$30,000,000	3
7. Average Wage:	\$ 80,000	4

TOTAL: **13**

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan or, existing building(s) that have been 100% vacant for 12 months.	20%	_____
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs, or, existing building(s) that have been 100% vacant for 12 months.	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: 13 = 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: The Dun & Bradstreet Corporation

P36922

PROJECT LOCATION: To Be Determined

Locations Unknown (N)

Unknown County

GOVERNOR'S INITIATIVES:

Urban Edison Core Clean Energy

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

The Dun & Bradstreet Corporation ("D&B") can trace its roots back to the Mercantile Agency founded in New York in 1841. The business was formed to assist American merchants in their decision making by establishing a network of correspondents that provided reliable, consistent, and objective credit information. Today, D&B is the world's leading source of information and insight into businesses with a database that contains more than 195 million business records covering more than 130 million companies in more than 190 countries. The company's stock trades on the New York Stock Exchange under the ticker "DBN". The applicant is economically viable.

MATERIAL FACTOR:

Dun & Bradstreet operates in New Jersey from an owned location in Parsippany and a leased location in Short Hills. The lease on the Short Hills facility will expire within a year and this has prompted the company to consider relocation. The three options that are being considered by the company are to renew the lease in Short Hills, consolidate the Short Hills office into the Parsippany office, or relocate all of the company's New Jersey operations to Allentown, Pennsylvania. D&B has applied for both a BEIP and a BRRAG to provide an incentive for the company to retain 602 full-time employees in New Jersey as well as to hire an additional 30 employees in the Garden State. Management has indicated that the grants are a material factor in the company's decision to locate the project in New Jersey. Should the company choose a location that meets certain Smart Growth criteria, the award could increase to as much as 80% for an estimated value of \$1,242,000.

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

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 698,625
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 602

ELIGIBLE BEIP JOBS: Year 1 30 Year 2 0 Base Years Total = 30

ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$23,287

ANTICIPATED AVERAGE WAGES: \$120,000

ESTIMATED PROJECT COSTS: \$4,980,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$1,552,500

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,630,125

PROJECT IS: Expansion Relocation _____

CONSTRUCTION: Yes No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: Domestic Foreign

DEVELOPMENT OFFICER: D. Johnson

APPROVAL OFFICER: K. McCullough

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	30	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	602	3
4. Industry:	business management & support services	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$4,980,000	2
7. Average Wage:	\$ 120,000	4
TOTAL:		12

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan or, existing building(s) that have been 100% vacant for 12 months.	20%	_____
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs, or, existing building(s) that have been 100% vacant for 12 months.	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 RETENTION AND RELOCATION ASSISTANCE GRANT

APPLICANT: The Dun & Bradstreet Corporation

COMPANY ADDRESS: 103 JFK Parkway Millburn Township Essex County
3 Sylvan Way Parsippany-Troy Hills Township Morris County

PROJECT LOCATION: To Be Determined

GOVERNOR'S INITIATIVES:

NJ Urban Fund Edison Innovation Fund Core

APPLICANT BACKGROUND:

The Dun & Bradstreet Corporation ("D&B") can trace its roots back to the Mercantile Agency founded in New York in 1841. The business was formed to assist American merchants in their decision making by establishing a network of correspondents that provided reliable, consistent, and objective credit information. Today, D&B is the world's leading source of information and insight into businesses with a database that contains more than 195 million business records covering more than 130 million companies in more than 190 countries. The company's stock trades on the New York Stock Exchange under the ticker "DBN".

MATERIAL FACTOR/NET BENEFIT:

Dun & Bradstreet operates in New Jersey from an owned location in Parsippany and a leased location in Short Hills. The lease on the Short Hills facility will expire within a year and this has prompted the company to consider relocation. The three options that are being considered by the company are to renew the lease in Short Hills, consolidate the Short Hills office into the Parsippany office, or relocate all of the company's New Jersey operations to Allentown, Pennsylvania. D&B has applied for both a BEIP and a BRRAG to provide an incentive for the company to retain 602 full-time employees in New Jersey as well as to hire an additional 30 employees in the Garden State. Management has indicated that the grants are a material factor in the company's decision to locate the project in New Jersey. The applicant has demonstrated that the grant of these tax credits will result in a net benefit to the State of \$179 million.

APPROVAL REQUEST:

TAX CREDIT TERM: 4 years
COMMITMENT DURATION: 9 years

The Members of the Authority are asked to approve the proposed BRRAG benefit to Dun & Bradstreet to encourage the company to locate the project within New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award amount and the term. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount and the term that corresponds to the actual criteria that have been met.

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in NJ unless the applicant had a pre-application meeting with the Authority during the grandfathering period.
2. If the applicant enters into a lease for the project site, the term of the lease will be no less than 9 years exclusive of any renewal options.
3. Expenditures totaling at least twice as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 06/30/2013 in order to remain eligible for the bonus award.
4. No employees subject to a BEIP grant or another BRRAG are eligible for calculating the benefit amount of this BRRAG.

5. If the applicant remains in a location at which it currently operates, expenditures totaling at least as much as the BRRAG award must meet the statutory definition of Capital Investment and must be made on or before 06/30/2013.

END OF APPLICANT'S FISCAL YEAR:	DECEMBER 31
CAPITAL INVESTMENT MUST BE MADE BY:	JUNE 30, 2013
SUBMISSION DATE OF CPA CERTIFICATION:	SEPTEMBER 30, 2013
TOTAL ESTIMATED GRANT AWARD OVER TERM:	\$ 3,612,000
STATE FISCAL YEAR 1 APPROVAL (SFY 2014):	\$ 903,000
STATE FISCAL YEAR 2 APPROVAL (SFY 2015):	\$ 903,000
STATE FISCAL YEAR 3 APPROVAL (SFY 2016):	\$ 903,000
STATE FISCAL YEAR 4 APPROVAL (SFY 2017):	\$ 903,000
ELIGIBLE BRRAG JOBS:	602
YEARLY TAX CREDIT AMOUNT PER EMPLOYEE:	\$ 1,500
BONUS AWARD PER EMPLOYEE:	\$ 0
TOTAL YEARLY TAX CREDITS INCLUDING BONUS:	\$ 1,500
ANTICIPATED AVERAGE WAGES:	\$ 127,000
ESTIMATED TOTAL GROSS ANNUAL PAYROLL:	\$ 76,454,000
ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 9 YRS:	\$ 30,522,303
ESTIMATED ELIGIBLE CAPITAL INVESTMENT:	\$ 4,980,000
OPERATED IN NEW JERSEY SINCE:	1983
PROJECT IS: (X) Expansion () Relocation	
CONSTRUCTION/RENOVATION: (X) Yes () No	
DEVELOPMENT OFFICER: D. Johnson	APPROVAL OFFICER: K. McCullough

**TECHNOLOGY BUSINESS TAX CERTIFICATE
TRANSFER PROGRAM**



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

SUBJECT: Technology Business Tax Certificate Transfer Program

BACKGROUND

The 1998 Technology Business Tax Certificate Transfer Program (the Program) allows technology and biotechnology companies with fewer than 225 employees in the U.S. to sell their net operating losses and/or research and development tax credits to profitable corporate entities. Proceeds from those sales are required to be re-invested in the seller's business.

2011 PROGRAM CYCLE

In the 2011 program cycle, 83 projects were presented to the Board on September 14, 2011 with recommendations to approve 73 projects and decline 10 projects. The 10 projects that were recommended to be declined were listed along with an explanation of the reason(s) the applicant did not qualify for the Program. There were 2 reasons that Software Synergy, Inc. was not eligible for the Program but only 1 of those reasons appeared in the September Board memo. The 2 reasons are as follows (the reason that had been inadvertently omitted shown in italics):

Software Synergy, Inc. – The applicant failed to demonstrate that it owns or licenses Protected Proprietary Intellectual Property as it has not patented or registered a copyright on its software. *The applicant indicated that it had exactly the minimum required number of employees (10) working in New Jersey on its employee log. However, one of those employees indicated on his healthcare opt out form that he was opting out because Aetna was not available in the country he lives in. Therefore, this employee cannot work in New Jersey and the applicant has not met the minimum New Jersey employment requirement.*

Software Synergy will have 20 calendar days to respond with a written appeal to the minimum employment issue described above which is consistent with the appeal period for the denials from last month.

RECOMMENDATION:

Based on the above, Software Synergy, Inc. is also being declined for the 2011 cycle of the Technology Business Tax Certificate Transfer Program for failing to employ at least the minimum number of full-time employees working in New Jersey as described above.

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

Prepared by: J. Rosenfeld

INCENTIVE PROGRAMS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

SUBJECT: Urban Transit Hub Tax Credit Program
Goya Foods, Inc.

Request

The Members are asked to approve the Urban Transit Hub Tax Credit (“UTHTC”) program application for Goya Foods, Inc. under P.L. 2007, c.346, P.L. 2008, as amended on July 26, 2011, as the owner in the proposed new warehouse/distribution operation center on an eligible site, with at least 250 employees, in Jersey City, New Jersey for a tax credit in the amount up to \$81,901,205 or \$8,190,120 annually for 10 years (which equates to the cumulative net benefits nominal value). In any year Goya does not have 200 new jobs at the project site the credit is reduced to \$80,352,990 or \$8,035,299 annually for 10 years. The Project’s total qualified cost is \$100,441,239. The net benefits to the State are calculated over 20 years reflecting 100% of the all qualified tax revenue.

Project Description

Goya Foods Inc. (“Goya” or “the Company”) is the owner of a 240,000 square foot facility located at 100 Seaview Drive in Secaucus, which contains executive offices and distribution operations. The Company has two additional sites in Secaucus (72,000 square foot owned facility for manufacturing and 80,000 square foot leased for warehousing) and a 155,000 square foot distribution center located in Bethpage, New York (which is owned and has 66 employees). Due to the operational inefficiencies and capacity constraints at these multiple locations, Goya is proposing to construct a new facility totaling 600,000 ± square feet for its headquarters and warehouse/distribution operations at 350 County Road, Jersey City. The Company will construct this new facility and locate 491 staff (comprised of 316 jobs from Secaucus, 100 contract employees based in Secaucus which would be converted to direct payroll employees (or into a qualifying professional employer organization), 9 new jobs and 66 jobs from Bethpage, NY to Jersey City). Goya will convert 100 Seaview into a manufacturing facility and move the 53 employees currently at the 650 County Road into this facility. Additional improvements will be made to the 100 Seaview facility to accommodate future growth.

	FTE Jobs 12/31/10	FTE Jobs 6/13/11	Suffern NY (3)	Jersey City NJ	
Site Address and Location					
80 Seaview, Secaucus, NJ (1)	0	0	0	0	
100 Seaview, Secacus, NJ	319	316	316	316	(A)
650 County Road, Secaucus, NJ (2)	53	53	53 (E)	0	
Pedricktown, Salem County, NJ	39	39	0	0	
Bethpage, NY	n/a	66	66	66	(B)
New job growth	n/a	n/a	0	9	(C)
Contract employees Secaucus	n/a	100	100	100	(D)
Total Jobs	411	583	544	491	(A+B+C+D)
Jobs at Risk				369	(A+E)
Jobs New to NJ				175	(B+C+D)
Jobs in Net Benefit Analysis				491	(A+B+C+D)

1. All sites are owned except 80 Seaview warehouse with no allocated jobs.
2. These 53 employees will relocate from 650 County Road to 100 Seaview Drive, Secaucus.
3. Illustrates the number of jobs that will leave NJ should Goya choose the New York option.

Goya Foods has applied for the UTHTC to make the New Jersey consolidation a financially viable solution to their current real estate needs. The Project Site has been verified to be in an eligible municipality and located within one-half mile of an Urban Transit Hub (Jersey City PATH).

Under the UTHTC rules, the applicant must employ at least 250 full time employees at the Project Site by January 13, 2016. Goya anticipates meeting this requirement in July of 2013 when construction on the new facility will be near completion with initial occupancy of 491 full time employees. Goya had 92 employees in the non Urban Transit Hub locations of 650 County Road, Secaucus and Pedricktown, Salem County on the last day of their tax accounting year (12/31/2010). Goya will be required to maintain at least 80% (or 74) of the 92 employees in any non Urban Transit Hub location during the 10 year tax credit period. Finally, Goya is exploring the possibility of relocating the entirety of its two Northern New Jersey and Long Island operations on a phased basis to an 892,943 square foot existing facility in Suffern, Rockland County, New York. This location is particularly attractive to Goya because of the direct rail access and low transportation rates associated with the site. Furthermore, it would enable Goya to sell their existing headquarters and realize significant gains from the sale.

The estimated total capital investment in the project as it relates to the acquisition of the land and the development of the site is \$127,003,692. The eligible capital investment of the costs relative to the development of the applicant's space was determined to be \$100,441,239 which does not include land and developer fees. The Authority recommends approval of this project for a tax credit in an amount up to \$81,901,205 based on the results of the net benefit analysis and qualifying cost breakdown. Goya expects to begin building construction in May of 2012 and be completed by July 2013.

Finding Regarding Jobs At Risk

Staff has reviewed the economic analysis presented by the applicant that details the cost differential between these alternative locations that indicates significant cost savings were the company to move out of state. Goya did not acknowledge, and staff review did not reveal any facts that would tie the company's existing NJ jobs to NJ, i.e. union contracts, NJ regulated entities or services, specialized labor force needs, or stranded assets. As such, staff has included the economic activity of these "at risk" jobs in its calculation of the net benefits to the State.

Based upon details provided as part of the application and in conjunction with their corporate facility consultant, the 10 year all in cost of the New York alternative (which would house 544 employees) equals \$75 million (assumes operating costs in NJ and NY are identical). Goya claims this option is the low-cost alternative (approximately \$66 million less than New Jersey, before incentives, due primarily to the significantly lower cost of purchase/renovation and the expected proceeds from the sale of one of the NJ buildings which would no longer be needed) before factoring in the potential impact of the UTHTC at the Jersey City location. Pursuant to the program requirements, CEO (or equivalent officer) certification was received in order to include the 369 “at risk” jobs in the application as part of the Authority’s Net Benefits Analysis calculation.

Pursuant to the Act, as amended on July 26, 2011, which requires the Members of the Authority to make a factual finding regarding “Jobs at Risk”, staff has reviewed the “full economic analysis of all locations under consideration by Goya, including lease agreements and ownership documents for all existing Goya locations in New Jersey; and documentation for the potential out-of-state location in New York and has independently made a factual finding that the 369 jobs which have been certified by the CEO of Goya as being “at risk” meet the statutory requirement of same under the Act, as amended.

Project Ownership

Goya, a family owned business founded in 1936 by Don and Carolina Unanue, continues to provide authentic Latino and Caribbean cuisine in the United States and globally. As the nation’s largest Hispanic-owned food company, Goya employs over 1,500 people in the United States and is headquartered in Secaucus, New Jersey. This 240,000 square foot Secaucus location contains executive offices and the primary distribution operations for New York and New Jersey region. Additionally, Goya controls a manufacturing operation and warehouse space at other sites in Secaucus and owns a distribution facility in Bethpage, New York. The product line spans across 1,600 Hispanic and Caribbean grocery items, including canned and dried beans, canned meats, beverages, cooking oils, olives, rice, seasonings and sauces, plantain and yucca chips, ready meals, and frozen treats and entrees. It sells many different types of rice and nearly 40 types of beans and peas under the Goya and Canilla brand names. It also sells beverages such as tropical fruit nectars, juices, tropical sodas, and coffee.

Goya is a successful private enterprise with revenues exceeding \$700 million in fiscal 2010 with over 3,000 employees and 13 facilities across the United States, Caribbean and Europe. Approximately 76% of product from the Secaucus and Long Island facilities is distributed to northern New Jersey and to New York region.

Project Budget for the 600,000 Square Foot Development:

Item	Total Development Cost	Eligible Capital Investment
Land, Site Work, Building Shell, Interior Construction, Contingency and Parking	\$77,896,522	\$52,896,522
Architect & Engineering, Insurance, Legal, Developers Fee, Contingency	\$3,246,388	\$1,683,935
Furniture, Racking and Equipment	\$45,860,782	\$45,860,782
TOTAL	\$127,003,692	\$100,441,239

Net Positive Benefit Analysis

Pursuant to the UTHTC rules, the Authority calculates the Net Positive Benefit of the project based on the new jobs to the state, unless the applicant submits material facts to demonstrate the “at risk” nature of any relocated employees. Goya’s executives have certified that the 369 employees, considered for relocation, are “at risk” from leaving the State. From a net benefit perspective, there are 316 at risk jobs (as there are 53 manufacturing jobs currently in Secaucus that would leave for New York but they are excluded from net benefits as they will not be at the project site in Jersey City) plus 175 new jobs to New Jersey (66 relocating from New York, 100 from the conversion of existing contract employees and 9 new jobs). The average salaries of the 491 employees is \$44,000 and is comprised of 60% warehouse positions, 28% administrative and 12% executive. In addition, Goya is transferring existing jobs to a municipality in the State as part of a consolidation of business operations from two or more locations that are not in the same municipality. Therefore, the Net Benefit analysis considers a total of 491 jobs as new jobs consistent with guidelines approved by the board on September 14, 2011.

The Authority conducted the required Net Benefit Analysis for this project based on 491 jobs at the Project Site and has found that the cumulative net present value of the Net Positive Benefits to the state of New Jersey over 20 years is approximately \$66.3 million using a 6% discount rate. The total Net Benefit to the State includes one-time construction costs associated with the proposed Jersey City facility, direct tax revenue (Corporate Business Tax, Gross Income Tax, Real Estate Tax and Utility Tax) and the indirect tax revenue expected to be generated by the Company over 20 years. This figure includes \$9.96 million in additional benefits as a result of the 25% bonus factor because 295 of Goya’s employees are deemed logistics / warehouse (associated with the use of freight and urban grocery stores). Use of this bonus factor, approved in a June 8, 2010 memorandum to the Board, compensates for the fact that the low wage nature of manufacturing and grocery stores negatively skews the net benefit test for these projects.

The present value of the award is the value of the nominal 10 years of tax credits, which when discounted at 6% provides the 110% net benefits required. In this instance, the nominal award is \$81,901,205 representing the cumulative value of the award over 10 years. Discounted at 6%, the net present value of the award is \$60.28 million. Based solely on the amount of capital investment, the applicant could have received a grant of \$100,441,239. Should the applicant not create 200 new jobs at the site, the maximum grant for any year would be \$8,035,299 (which equates to an aggregate 10 year award of \$80,352,991 or 80% of the eligible capital investment.

As of September 1, 2011, a total of \$363,798,360 Commercial UTHTC Credits and \$105,748,677 Residential UTHTC Credits have been approved for a total of \$469,547,037 for the UTHTC program.

Recommendation

Staff has reviewed the application for consistency with the Act and Rules, as amended, implementing the UTHTC Program and recommends approval of the following:

- 1] that Members of the Authority have reviewed staff’s finding of fact analysis that 369 jobs are at risk and concurs with this finding.
- 2] Application for a tax credit in a maximum amount estimated at \$81,901,205. If 200 new jobs are not created at the Project site, the amount of the award is reduced to \$80,352,990. The NJEDA will provide the applicant with an approval letter for the total amount of the credit.

Pursuant to the rules governing the program, the project will need to meet certain milestones for within 12 months of approval in order to maintain the project’s credit approval.

These milestones include:

- 1) Site control
- 2) Site plan approval
- 3) Other project specific items which may be added

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 NJEDA indicating the project is compliant with program guidelines. The applicant will be required to maintain full time employment in each of the ten years of the tax credit period of at least 80% of the total Statewide employment (which was 411 as of 12/31/2010, the last tax accounting year end prior to application) as well as not reduce full time employment at all sites excluding the Project site by more than 20% or they shall forfeit tax credits in any year until such time as these thresholds have been reinstated.



Caren S. Franzini
Chief Executive Officer

Prepared by: Michael Conte

NJEDA Economic Impact Model

NJEDA Economic Impact Model

County Number	9
Address	
County	Hudson
Ongoing Jobs(Direct)	491
One Time Jobs(Direct)	750

State & Local Direct Ongoing	Consumer Goods	Select Industry Sector
Sales Tax	\$0.00	@7%
Corporate Income Tax (CBT)	\$0.00	@9%
Gross Income Tax	\$0.87	company payroll @4%
Misc. State Tax Revenue	\$0.06	company figure
Property Tax (Default to Total Const Value*3%)	\$0.90	company figure
Direct Ongoing Annual Taxes	\$1.83	a

State Indirect Ongoing		
Annual Corp Spending	\$100.32	Direct Output Composite
Final Demand Output Multiplier	1.45x	Direct Output Composite Multiplier
Indirect Annual Spending	\$44.89	Direct Output Composite*(Direct . Mult. -1)
At 3.5 % Tax Rate	\$1.57	b
Annual Payroll	\$18.15	Direct Earnings Composite
Indirect Effect Earnings Multiplier	1.17x	Direct Earnings Composite Multiplier
Indirect Earnings	\$3.10	Direct Earnings Composite*(Indirect . Mult. -1)
At 4% Tax Rate	\$0.12	c
Indirect Ongoing Annual Taxes	\$1.57	b

Total State Ongoing Net Benefits		
Annual Net Benefit	\$3.52	a+b+c
Cumulative Net Benefit (20yrs w/ 3% yearly inflation)	\$94.66	
Present Value @6%	\$51.30	d

One Time		
Construction Value	\$100.44	Provided by Govt
Direct One Time Taxes on Spending	\$3.52	Count to total only if project is NOT in a UEZ zone.
Direct Construction Multiplier	1.46x	
Indirect One Time Spending	\$46.02	
Spending Tax Rate	3.50%	
Ind One Time Taxes on Spending	\$1.61	
Assumed Portion of Const. on Labor	50%	input
Dir One Time Earnings	\$0.22	
Earnings Tax Rate	5.00%	input
Dir One Time Taxes on Earning	\$2.51	
Direct Effect Earnings Multiplier	1.37x	
Indirect One Time Earnings (50% of Construction)	18.69	
Earnings Tax Rate	5.00%	input
Ind One Time Taxes on Earnings	\$0.93	
Total One Time Tax Benefits	\$5.06	e

Total State Benefits		
Total One Time Tax Benefits	\$5.06	e
Total State Ongoing Benefits (PV @ 6%)	\$51.30	d
Total Benefits	\$66.31	d+e (includes 9.96 bonus for freight)
Implied Maximum Loan at 110% Coverage Ratio Before Adjustments	\$60.28	

Adjustment Test 1	
Maximum HUB Award Test	
Total Qualifying Costs (NJEDA Cost Analysis sheet)	\$100.4
Maximum Tax Credit Amount	\$60.3
Minimum of (Max Tax Credit@110%&Total Qualifying Co	\$60.3

BOARD MEMORANDUMS



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini
Chief Executive Officer

Date: October 11, 2011

RE: Register Lithographers, Inc. - P36787

Request

The Members are asked to approve a \$287,500 increase, from \$500,000 to \$787,500, to the EDA's SLP participation in an equipment loan from JPMorgan Chase ("JPM") to Register Lithographers, Inc. ("RLI"). RLI was approved for a \$500,000 participation in a \$1 million equipment loan from JPM on July 14, 2011. The proceeds of the loan were to refinance a 2001 64 inch KBA printing press that was purchased by the Applicant in February of 2011 for \$2 million. Subsequently, RLI has requested to increase the loan amount from \$1 million to \$1,575,000 to provide RLI with additional working capital. Of note, the equipment loan was part of a refinancing package from Chase that also included the following:

1. \$6 million NJEDA Bank Qualified Bond to RLI (approval under P36788 on 7/14/11).
2. \$2,625,000 mortgage to Markgold to refinance existing mortgage.
3. \$1.5 million revolving line of credit.

Company Information

The Goldmark Group ("GG") was formed in 1974 by Gene Markowitz and Joe Goldbrenner as a specialty printing company that focused on advertising displays and catalogs. Subsequently, the Company has expanded its offerings to include creative design and photography services. Currently, GG is a combined entity with the following affiliated companies: Register Lithographers, Inc. ("RLI"), The Signsorce, Inc. ("SI") and Markgold, LP. GG is owned by Gene Markowitz (50%) and Joe Goldbrenner (50%) and operates the graphic arts design studio and advertising functions of the business. RLI is owned by Gene Markowitz (33%), Joe Goldbrenner (33%) and Joe Fisherman (33%) and operates the printing and lithographic services. SI houses the direct sales account servicing for RLI and is owned by Renee Markowitz (26%), Gene Markowitz (24%), Brenda Goldbrenner (26%) and Joe Goldbrenner (24%). Markgold, LP a real estate holding company that is owned by Gene Markowitz (50%) and Joe Goldbrenner (50%). GG is located in the Urban Aid Municipality of Clifton and operates from two adjacent buildings (a 125,000 square-foot facility and a 52,000 square-foot facility). RLI has 40 employees and has committed to creating 10 new jobs within two years.

Of note, the EDA provided a \$500,000 direct loan (P8345) for leasehold improvements in 1994 to assist RLI with its relocation from New York to Clifton. The loan was handled as agreed and paid in full in 2005. In addition, the EDA issued a \$7.3 million standalone bond (P18106) for the purchase of an 81 inch KBA press for RLI that was purchased by Capital One (formerly North Fork Bank).

Source of Funds at Approval

<u>Sources</u>	<u>Amount</u>
JPMorgan Chase – Floating rate at 75% of 1-month LIBOR plus 300 basis points. 7-year term and amortization.	\$ 6,000,000
JPMorgan Chase – Commercial Bank Floating Rate or 1-month LIBOR plus 300 basis points. 5-year term, 25-year amortization.	\$ 2,625,000
JPMorgan Chase – Commercial Bank Floating Rate or 1-month LIBOR plus 300 basis points. 5-year term, 7-year amortization.	\$ 1,000,000 with a \$500,000 (50%) EDA participation
EDA – Rate fixed at 5-year Treasury plus 50 basis points with a floor of 3%. 5-year term, 7-year amortization.	
Equity Contribution	\$ 1,077,000
Total	\$10,702,000

Use of Funds at Approval

<u>Description</u>	<u>Amount</u>
Refunding bond	\$ 6,000,000
Refinance mortgage	\$ 2,625,000
Refinance equipment	\$ 2,000,000
Finance fees	\$ 37,000
Legal fees	\$ 40,000
Total Project Costs	\$10,702,000

Proposed Source of Funds

<u>Sources</u>	<u>Amount</u>
JPMorgan Chase – Floating rate at 75% of 1-month LIBOR plus 300 basis points. 7-year term and amortization.	\$ 6,000,000
JPMorgan Chase – Commercial Bank Floating Rate or 1-month LIBOR plus 300 basis points. 5-year term, 25-year amortization.	\$ 2,625,000
JPMorgan Chase – Commercial Bank Floating Rate or 1-month LIBOR plus 300 basis points. 5-year term, 7-year amortization.	\$ 1,575,000 with a \$787,500 (50%) EDA participation
EDA – Rate fixed at 5-year Treasury plus 50 basis points with a floor of 3%. 5-year term, 7-year amortization.	
Equity Contribution	\$ 502,000
Total	\$10,702,000

The equity contribution is being reduced from \$1,077,000 at approval to \$502,000 as a result of the proposed increase in the equipment loan. The company purchased the press in February of 2011 using its own cash as it did not want to miss out on the opportunity to buy the machine. However, the intention was to obtain financing at a later date. After reviewing the terms from the initial approval, the Applicant determined that there could be a strain on RLI’s cash flow. As a result, they have requested to increase the equipment loan to equal a 90% loan-to-appraised value as it will provide a better match of long term financing with the fixed asset purchase. Of note, \$425,000 of the proposed equity has already been contributed and applied to the 64 inch press as the purchase price was \$2 million.

Proposed Use of Funds

<u>Description</u>	<u>Amount</u>
Refunding bond	\$ 6,000,000
Refinance mortgage	\$ 2,625,000
Refinance equipment	\$ 2,000,000
Finance fees	\$ 37,000
Legal fees	\$ 40,000
Total Project Costs	\$10,702,000

Recommendation

Approval is recommended for a \$287,500 increase to the EDA's SLP participation, from \$500,000 to \$787,500, based upon the sufficient cash flow to service the proposed debt, adequate collateral, satisfactory prior experience with the Applicant and experienced management team. All other terms and conditions from the original approval will remain unchanged.



Prepared by Sean V.M. Brady



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

SUBJECT: Delegated Authority Approvals for 3rd Quarter 2011
For Informational Purposes Only

**POST CLOSING ACTIONS APPROVED UNDER
DELEGATED AUTHORITY**

Name	EDA Exposure	Action
CityWorks Neptune Office, LLC	\$250,000	Six month extension to the maturity of the \$250,000 Brownfields Redevelopment Loan from 6/1/11 to 12/1/11 to allow time for reimbursement from NJ Treasury that will retire the loan. Related entity Neptune Investment Fund LLC has a \$2 million LDFF loan and \$1 million guarantee under the NMTC program that were not affected.
Prospect Biosystems, Inc.	\$216,027	Restructured principal payments from monthly to annual payments based on an increasing percentage of revenue and extended maturity date for three years to 12/1/16. In consideration for the restructure, borrower provided additional warrants and EDA UCC and USPTO liens on intellectual property.
1275 Route 23, Inc. (gas station)	\$72,443	Restructured this defaulted HSDRF loan and extended maturity date for five years to 2/1/16 to remedy a default due to borrower's inability to refinance or pay-off the loan which matured 2/1/2011.
Glenn Axelrod (Central Jersey Garage, Inc.)	\$35,912	Restructured this defaulted HSDRF loan and extended maturity date for five years 6/1/13 due to borrower's inability to refinance or pay-off the loan which matured 6/1/2010.

Prepared by: Heather M. O'Connell



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: October 11, 2011

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.

Attached is a list of the BEIP modifications that were approved in the 3rd quarter ending September 30, 2011.

Prepared by: C. Craddock

ACTIONS APPROVED UNDER DELEGATED AUTHORITY
 QUARTER ENDING SEPTEMBER 2011

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

Name	Action	Modification
American Home Assurance Company/Chartis Property Casualty Company/National Union Fire Insurance Company of Pittsburgh, PA/A.I. Credit Corp./Chartis Insurance Agency, Inc./Global Loss Prevention, Inc./Chartis Claims, Inc./AIG Global Services, Inc./Risk Specialists Company of New Jersey, Inc.	Remove Grantee	Removal of Risk Specialists Company of New Jersey, Inc. from the grant as they are no longer an operating entity.
Damascus Bakery, Inc.	Project Location Change & Increase in Grant Award	Project location change from 105 Enterprise Avenue, Secaucus, NJ to 60 McClellan Street, Newark, NJ. Increase in the grant award percentage from 50% to 60% based on the Bonus Increase scoring criteria.
TradeWeb Markets LLC	Addition of Grantee	Addition of TradeWeb Global Holdings LLC to the grant. Adding this entity will not materially increase the number of jobs on this grant as the grant eligible employees that will be paid under this entity are already included on the TradeWeb Markets LLC grant.

UEZ Energy Sales Tax Exemption for Manufacturers

Mallinckrodt Baker, Inc.	Name Change	Name change from Mallinckrodt Baker, Inc. to Avantor Performance Materials, Inc.
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MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini, Chief Executive Officer
DATE: October 11, 2011
SUBJECT: Projects Approved Under Delegated Authority - **For Informational Purposes Only**

The following projects were approved under Delegated Authority in September 2011:

New Jersey Business Growth Fund:

- 1) BK Concrete Prep, LLC (P36949), located in Westville Borough, Gloucester County, was formed in 2006 as a provider of concrete restoration services. PNC Bank approved a \$210,000 bank loan with a five-year, 25% guarantee, not to exceed \$52,500. Proceeds will be used to purchase the project property. Currently, the company has three employees and plans to create two additional jobs over the next two years.

Preferred Lender Program – Modification:

- 1) Bounderby, LLC (P36079), located in Cherry Hill Township, Camden, was approved on April 29, 2011 for a \$750,000 (41.67%) participation of a \$1.8 million mortgage from Sovereign Bank under the Preferred Lender Program. Proceeds were to be used to purchase and renovate the project property and relocate the company from Croydon, PA to Pennsauken for business expansion. The applicant has decided not to purchase the property due to environmental issues at the site and is seeking to purchase a property in Cherry Hill. Sovereign Bank has modified its approval to a \$2,520,000 mortgage contingent upon a \$1,120,000 (44.44%) PLP participation, increasing the EDA exposure by \$370,000. All other terms and conditions of the original approval remain unchanged.

Prepared by: D. Lawyer
DL/gvr

