



## **MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

**SUBJECT:** Agenda for Board Meeting of the Authority September 16, 2010

### **Notice of Public Meeting**

### **Roll Call**

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

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

### **Authority Matters**

### **Bond Projects**

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

### **Incentive Programs**

### **Board Memorandums**

### **Real Estate**

### **Public Comment**

### **Adjournment**

## NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

August 10, 2010

### MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; John Hutchison representing the Lt. Governor's office, Jim Kelly representing the State Treasurer, Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development, Michele Siekerka representing the Commissioner of the Department of Environment Protection, Richard Poliner representing the Commissioner of the Department of Banking and Insurance, Public Members: Joseph McNamara, Vice Chairman; Timothy Carden, Charles Sarlo, Marjorie Perry, and Raymond Burke, First Alternate Public Member.

Present via conference call: Public Member Laurence Downes, and Kevin Brown, Third Alternate Public Member.

Absent from the meeting: Public Members Steve Plofker, 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; Ed Pillsbury, Deputy Attorney General; and guests.

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

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

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

### MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the July 15, 2010 meeting minutes. A motion was made to approve the minutes by Mr. Sarlo, seconded by Ms. Perry, and was approved by the 8 voting members present.

**Mr. Downes and Mr. Brown joined the meeting via conference telephone line.**

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

**Mr. Carden entered the meeting at this time.**

**BOND RESOLUTIONS**

**PROJECT:** Mercer Street Friends **APPL.#31916**  
**LOCATION:** Ewing/Mercer Cty.  
**PROCEEDS FOR:** refinance existing debt  
**FINANCING:** \$1,700,000 Tax-Exempt Bond  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PROJECT:** Mercer Street Friends **APPL.#31731**  
**LOCATION:** Ewing/Mercer Cty.  
**PROCEEDS FOR:** refinance existing debt  
**FINANCING:** \$5,500,000 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. Carden **SECOND:** Mr. Burke **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**AMENDED BOND RESOLUTIONS**

**PROJECT:** Benedictine Abbey of Newark **APPL.#12528 & 10984**  
**LOCATION:** Newark/Essex Cty.  
**FINANCING:** \$8,925,000 Tax-Exempt Bond  
**MODIFICATION:** Amend, restate, and consolidate the trust indentures and loan agreements to provide for an additional interest rate mode, which will synthetically fix the interest rate, eliminate interest rate risk and provide debt service savings of approximately \$700,000 for 5 years.  
**MOTION TO APPROVE:** Mr. Carden **SECOND:** Mr. McNamara **AYES: 10**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

Chairman Koepple abstained because he is on the board of the St. Benedictine's Prep.

**COMBINATION PRELIMINARY AND BOND RESOLUTIONS**

**PROJECT:** The Midland School **APPL.#32356**  
**LOCATION:** Branchburg Twp./Somerset Cty.  
**PROCEEDS FOR:** refinance existing debt  
**FINANCING:** \$3,000,000 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. McNamara **SECOND:** Ms. Perry **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PROJECT:** Spectrum for Living Corporation **APPL.#32533**  
**LOCATION:** Closter /Bergen Cty.  
**PROCEEDS FOR:** refinance existing debt  
**FINANCING:** \$5,865,000 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. Carden **SECOND:** Mr. Poliner **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PUBLIC HEARING ONLY**

**PROJECT:** Young Men's Christian Association of Hunterdon County\* **APPL.#32441**  
**LOCATION:** Clinton/Hunterdon Cty.  
**PROCEEDS FOR:** building acquisition  
**FINANCING:** \$4,400,000 Tax-Exempt Bond  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PRELIMINARY RESOLUTIONS**

**PROJECT:** KLIA Property LLC **APPL.#32324**  
**LOCATION:** Spotswood/Middlesex Cty.  
**PROCEEDS FOR:** building acquisition and renovation  
**MOTION TO APPROVE:** Mr. Carden **SECOND:** Ms. Perry **AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**CLEAN ENERGY SOLUTIONS**

The next item was to approve the Authority’s role in administering the Renewable Energy Grid Connected grant program through an amendment to our current EDA-BPU MOU, subject to review by the Office of the Attorney General.

**MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

The next item was to approve the proposed Clean Energy Solutions American Recovery and Reinvestment Act Combined Heat and Power program and approve the request for EDA to amend the existing MOU with the New Jersey Board of Public Utilities to memorialize the required duties around this program.

**MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Downes AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**CAMDEN ECONOMIC RECOVERY BOARD**

**PROJECT:** City of Camden Eyes In the Sky Program **APPL# 26953**  
**LOCATION:** Camden/Camden Cty.  
**FINANCING:** \$245,375 non-recoverable infrastructure grant  
**REQUEST:** approve the funding authorization of a \$245,375 non-recoverable infrastructure grant to assist the City of Camden’s Police Department in funding the costs associated with Phase 1 of the Camden CCTV Camera Program, also known as the Eyes in the Sky Project.  
**MOTION TO APPROVE: Mr. Poliner SECOND: Ms. Perry AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

**PROJECT:** Cooper’s Ferry Development Association, Inc. **APPL# 32369**  
**LOCATION:** Camden/Camden Cty.  
**FINANCING:** \$200,000 non-recoverable infrastructure grant  
**REQUEST:** Approve the funding authorization for a \$200,000 non-recoverable infrastructure grant to assist the Cooper’s Ferry Development Association, Inc. in the planning, design and implementation of an extensive streetscape project for improving pedestrian and bicycle access linking Philadelphia with greater Southern New Jersey.  
**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

**PETROLEUM UNDERGROUND STORAGE TANK PROGRAM**

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

**MOTION TO APPROVE: Ms. Perry      SECOND: Mr. Poliner      AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

**PROJECT:** Ricardo Garcia **APPL.#31360**

**LOCATION:** Union City/Hudson Cty.

**PROCEEDS FOR:** upgrade, closure and site remediation

**FINANCING:** \$246,465 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

**PROJECT:** Saint Peter's College **APPL.#32680**

**LOCATION:** Jersey City/Hudson Cty.

**PROCEEDS FOR:** site remediation

**FINANCING:** \$807,503 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

**PROJECT:** Raymond Shamlan **APPL.#30415**

**LOCATION:** Millstone/Monmouth Cty.

**PROCEEDS FOR:** upgrade, closure and site remediation

**FINANCING:** \$115,563 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

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

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM**

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

**EDISON INNOVATION FUND**

The next item was to approve the Authority's role in servicing and managing the Edison Innovation R&D Fund portfolio for the New Jersey Commission on Science & Technology and entering into an MOU to memorialize such.

**MOTION TO APPROVE: Mr. Carden      SECOND: Mr. Burke      AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

The next item was approval of the Authority's role in assuming the management of the Edison Clean Energy (R&D) Fund, including the portfolio management and servicing of six existing portfolio companies and the administration and award of new grants.

**MOTION TO APPROVE: Mr. McNamara      SECOND: Mr. Carden AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

**INCENTIVE PROGRAMS**

**BUSINESS INCENTIVE EMPLOYMENT PROGRAM**

**PROJECT:** Bartlett Distribution Services LLC & Affiliates      **APPL.#32206**  
**LOCATION:** Newark/Essex Cty.      **BUSINESS:** transportation & logistics  
**GRANT AWARD:** 80% Business Employment Incentive grant, 10 years

**MOTION TO APPROVE: Ms. Perry      SECOND: Mr. Downes AYES: 11**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

**Mr. Latoof entered the meeting at this time.**

**PROJECT:** Standard Chartered Bank      **APPL.#32586**  
**LOCATION:** Newark/Essex      **BUSINESS:** financial services  
**GRANT AWARD:** 80% Business Employment Incentive grant, 10 years

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

**URBAN TRANSIT HUB TAX CREDIT PROGRAM**

**PROJECT:** Newark Farmers Market, LLC  
**LOCATION:** Newark/Essex Cty.  
**MAX AMOUNT OF TAX CREDITS:** Estimated \$15,750,000

**MOTION TO APPROVE: Mr. Carden      SECOND: Mr. McNamara AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

**PROJECT:** Wakefern Food Corp.  
**LOCATION:** Newark/Essex Cty.  
**MAX AMOUNT OF TAX CREDITS:** Estimated \$29,250,000

**MOTION TO APPROVE: Ms. Perry      SECOND: Mr. Poliner      AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

## **BOARD MEMORANDUMS**

The next item was a summary of Edison R&D Wraparound loan approvals prepared by Portfolio Services in conjunction with NJ Commission on Science & Technology R&D grants awarded in November 2009. **(For Informational Purposes Only)**

The next item was a request from Citigroup.

***This item was withheld from consideration.***

The next item was to temporarily amend current policy guidelines for two years to allow a reset of the Base Employment Number of a BEIP grantee under specific guidelines.

**MOTION TO APPROVE: Mr. McNamara      SECOND: Mr. Poliner      AYES: 12  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

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

**New Jersey Business Growth Fund:** Jersey Blair Realty LLC and Jersey Gasoline Corp.; Joang Investments, LLC and RSC of Voorhees, Inc.

**Small Business Fund Program:** 2075 E. State Street LLC

**Camden ERB:** Drexel University

**PNC Business Growth Fund – Extension:** Mamatha Realty LLC

**PNC Business Growth Fund – Modifications:** Len Ram Realty, LLC; Permalith Plastics, LLC

The next item was to consent to the acquisition of the leasehold improvement, equipment and fixtures of the structured finance facility formerly provided to Lehman Brothers Holdings, Inc. Barclays Capital Services LLC and Long Island Holding B LLC will pay a “reset fee” of \$117,829 to EDA as consideration to acquire the assets purchase by LBI under the structured finance agreement.

**MOTION TO APPROVE: Mr. Kelly      SECOND: Mr. Latoof      AYES: 12  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

The next item was to revise the delegations previously granted by the Member for Credit, DEP and Salem UEZ, to align them with the recent changes to our organizational structure while ensuring continued efficiencies for our customers and consistent controls for our business.

**MOTION TO APPROVE: Mr. Poliner      SECOND: Mr. Burke      AYES: 12  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18**

The next item was to approve the use of not to exceed \$5.995 million representing proceeds of its Designated Industries Economic Growth and Development Bonds, 2004 Series A (Federally Taxable) for the payment of debt service on the Bonds.

**MOTION TO APPROVE: Ms. Perry      SECOND: Mr. Burke      AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

### REAL ESTATE

The next item was to modify the Real Estate Development Operating Authority to: (i) revise Level 2 authority to SVP; (ii) revise the procurement procedures to incorporate Treasury Division of Purchase and Property's public bidding threshold; (iii) delegate authority to staff to execute grant agreements up to \$300,000; (iv) establish guidelines to facilitate graduation of CCIT tenants after lease expiration; (v) establish guidelines for administering leases; and (vi) extend the term of right of entry/license agreements, as outlined on the attached chart entitled Real Estate Development Program Procurement Operating Authority By Level.

**MOTION TO APPROVE: Mr. Carden      SECOND: Mr. Latoof      AYES: 12**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

### AUTHORITY MATTERS

**Mr. Hutchison entered the meeting at this time.**

The next item was to confirm staff's decision to reject all proposals and to terminate 2010 RFP/Q 035, after having reviewed the exceptions report presented by DNS, and the review of the exceptions by staff.

Chairman Koeppe asked for public comment on this matter.

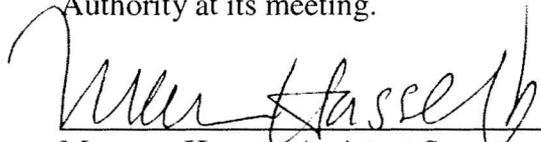
Mr. Isaac Fajerman, President of DNS, resident of Rumson, NJ stated his concerns with the Authority's RFP process including : 1) DNS was denied a hearing that would have allowed the firm to respond with relevant experience and information; 2) the technical review committee decided to reject his bid, but he has a letter of recommendation from his relevant experience that should be considered; 3) he did not feel the technical staff of the Authority was qualified to review the proposals; and 4) he feels that he has been discriminated against as a small business.

Chairman Koeppe stated that he could tell that Mr. Fajerman was disappointed with the process and the results, however staff and the Board had spent a great deal of time over the past few months on this matter. Chairman Koeppe stated that he had confidence in the capability and work effort of the staff of the Authority and the Attorney General's Office.

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

There being no further business, on a motion by Mr. Latoof, and seconded by Mr. Poliner, the meeting was adjourned at 11:30 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.

  
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Maureen Hassett, Assistant Secretary



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

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

### EDA NEWS

#### **Governor Chris Christie Signs Monmouth Economic Revitalization Authority Act**

Last month, Governor Chris Christie signed legislation that will guide the redevelopment of Fort Monmouth following the base's closure in 2011. The Monmouth Economic Revitalization Authority Act establishes the Fort Monmouth Economic Redevelopment Authority (FMERA) and directs EDA to establish the Fort Monmouth Office within the EDA to serve as this new Authority's staff.

FMERA will oversee a 20-year, \$1 billion redevelopment plan that will focus on attracting private companies and promoting job creation at Fort Monmouth. This redevelopment plan was produced by the fort's current planning authority – the Fort Monmouth Economic Revitalization Planning Authority – which will be disbanded as part of the law.

FMERA will consist of 13 members – nine of which have voting privileges. The four nonvoting members will consist of ex officio positions that include the Commissioners from the Departments of Labor, Community Affairs, Environmental Protection, and Transportation. The voting members will consist of three gubernatorial appointments, a member of the executive branch, the Chair of the EDA, a member of the county freeholders, and the Mayors of the Fort's host towns (Eatontown, Oceanport, and Tinton Falls.)

A national search is underway for an Executive Director of the Ft. Monmouth office. In the interim, Tim Lizura will serve as Interim Executive Director in addition to his role as Senior Vice President of Business Development.

The first FMERA Board meeting is scheduled for early fall at the Tinton Falls Municipal Building. An initial 14 positions to staff the Fort Monmouth Office have been posted.

## **Governor Chris Christie Signs Offshore Wind Economic Development Act**

Aimed at attracting private companies to develop offshore wind farms in New Jersey, Governor Christie signed the Offshore Wind Economic Development Act last month. This law will allow the New Jersey Board of Public Utilities (BPU) to accept applications for offshore wind projects and establishes the criteria by which these projects can be considered. The law sets a goal of 1,100 megawatts of electricity to be generated from wind projects, and directs BPU to launch an offshore wind renewable energy certificate (OREC) program to require that a portion of New Jersey's electricity demands be met through wind energy.

The law also allows the EDA to provide assistance to offshore wind projects as well as companies that manufacture equipment for these projects through funding generated from the auction of Regional Greenhouse Gas Initiative (RGGI) allowances.

Finally, the law supplements the "Urban Transit Hub Tax Credit Act" by designating Paulsboro as a wind energy zone and authorizing EDA to utilize up to \$100 million in tax credits to attract companies to develop offshore wind projects, while requiring that offshore wind projects receiving state benefits must provide a positive net benefit, both environmentally and economically, for the state.

## **EDA Evaluating Programs in Response to Governor Chris Christie's Budget in Brief**

In response to Governor Christie's Fiscal 2011 Budget in Brief, EDA is beginning to formally evaluate the impacts of the Edison Innovation Digital Media Tax Credit, New Jersey Film Tax Credit Program and the Technology Business Tax Certificate Transfer Program to ensure that State funding in these programs are being utilized in a manner that results in the greatest return of economic development benefit.

EDA recently entered into a Memorandum of Understanding with the NJIT School of Management to perform these evaluations with the anticipated goal of being completed by early October.

Governor Christie also set forth in his Budget in Brief that EDA would undertake a review of the Urban Enterprise Zone program to determine its effectiveness. EDA has recently issued an RFP for these services and aims to have a complete evaluation of the program by the end of 2010.

## **FINANCING ACTIVITY**

The EDA closed financing and incentives totaling over \$377 million for 190 projects through the end of July. These projects are expected to spur the creation of more than 2,700 new, full-time jobs and more than 3,000 construction jobs and involve total investment of nearly \$650 million in New Jersey's economy. Over half of the closings were with projects in New Jersey's urban communities.

Among the financings that closed in August was **Metro Production Group LLC**, which closed a \$2,030,000 TD Bank loan with \$450,000 (22%) EDA participation through the Statewide Loan

Pool. This assistance will enable the company to purchase and finance a 24,000 sq. ft. industrial warehouse/facility in Carlstadt. Metro Production Group is a communications and video production company that offers services including mobile production, satellite transmission, internet protocol media, live event presentation and broadcast equipment rentals. As a result of this assistance, Metro expects to create 30 new jobs within two years. The company was also approved for a BEIP grant for over \$91,000 in March of this year.

#### **EVENTS/SPEAKING ENGAGEMENTS/PROACTIVE OUTREACH**

EDA representatives participated as attendees or exhibitors at 8 events in August. These included the DreamIT Ventures Demo Day in Philadelphia, Southern New Jersey Development Council Day on the Delaware in Philadelphia, Financial Women's Association (FWA) NJ: Summer Dinner in Summit, the US Business Roundtable on EU Economics & Monetary Affairs in New York City, and NJ Alliance Program Committee Meeting in Trenton.

Additionally, EDA staff spoke at several events including the Solar Energy for New Jersey Businesses event in Woodbridge and a Clean Energy Seminar in Manalapan organized by Congressman Rush Holt.



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## **AUTHORITY MATTERS**



## MEMORANDUM

To: Members of the Authority

From: Al Koepp  
Chairman

Date: September 16, 2010

Subject: Annual Meeting

The New Jersey Economic Development Authority's By Laws provide that an annual reorganization meeting be held in September of each year. The purpose of this meeting is to elect the officers of the Authority for the coming year, including the Treasurer and Vice Chair. As has been done in years past, it is recommended that the position of Board Treasurer be held by State Treasurer Andrew P. Sidamon-Eristoff . The position of Vice Chairman is currently held by Joe McNamara, who is interested in continuing to serve in this role, subject to confirmation by the Members.

The appointment of Assistant Secretaries to the Board to support the Secretary, Caren Franzini, in her absence is also required. I am recommending that Maureen Hassett, Gregory Ritz and John Rosenfeld serve as Assistant Secretaries.

The Authority has six committees that meet throughout the year. I am requesting that the named Members or their Ex Officio designees participate in the following committees and recommend the appointment of individual Members to Chair each committee as so indicated:

**Director's Loan Review Committee** - Chair: Ray Burke, Marjorie Perry, Elliott Kosoffsky, Kevin Brown, Commissioner of the Department of Banking and Insurance, and the Commissioner of the Department of Labor and Workforce Development

The DLRC will meet monthly to review all non real estate development Authority exposure requests, including, but not limited to, direct and loan guarantee requests.

**Audit Committee** – Chair: Tim Carden, Al Koepp, Ray Burke, Steven Plofker, the State Treasurer, and the Commissioner of the Department of Banking and Insurance

The Audit Committee monitors the financial operations of the Authority including the review of the annual operating budget and those responsibilities outlined in the committee Charter. The committee will meet quarterly and at such other times as determined by the Chair.

**Policy Committee** - Chair: Joe McNamara, Charles Sarlo, Executive Branch Designee, the Commissioner of the Department of Labor and Workforce Development, and the Commissioner of the Department of Environmental Protection.

The Policy Committee provides advice on policy matters, the formulation of the Authority's annual strategic business plan and marketing strategy and meets at times determined by the Chief Executive Officer (CEO) in consultation with the Chair.

**Real Estate Committee** - Chair: Charles Sarlo, Richard Tolson, Majorie Perry, Elliott Kosoffsky, the Commissioner of the Department of Environmental Protection and the State Treasurer.

The Real Estate Committee reviews all monthly real estate matters with Authority exposure prior to the Board meeting.

**Incentives Committee** - Chair: Larry Downes, Joe McNamara, Tim Carden, the Executive Branch Designee, the Commissioner of Labor and Workforce Development and the State Treasurer.

The Incentives Committee meets monthly to review all significant non-direct exposure incentive requests, including but not limited to tax credits.

**Compensation Committee** – Chairman Al Koepp, Joe McNamara and Tim Carden.

The Compensation Committee advises on compensation policies that enable the attraction and retention of staff and meets as determined by the CEO in consultation with the Chair.

Attached is a schedule of the monthly Board meetings through September 2011. By resolution we will be adopting this schedule for the next year's Board meeting dates. I am also seeking your approval for the following actions: 1) Committee appointments as noted above; 2) Appointment of the Assistant Secretaries; and 3) Election of a Vice Chair and Treasurer.

  
\_\_\_\_\_  
Al Koepp

Attachment

# **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

## **BOARD MEETING DATES**

**October 12, 2010**  
**November 9, 2010**  
**December 14, 2010**  
**January 11, 2011**  
**February 8, 2011**  
**March 8, 2011**  
**April 12, 2011**  
**May 13, 2011\***  
**June 14, 2011**  
**July 14, 2011\*\***  
**August 9, 2011**  
**September 16, 2011\***

**Board meetings are held on the second Tuesday of each month unless otherwise noted. All meetings are held from 10 – 12 Noon in the boardroom.**

**\*Board meeting will be held on Friday**

**\*\* Board meeting will be held on Thursday**



## MEMORANDUM

To: Members of the Authority

From: Caren Franzini  
Chief Executive Officer

Date: September 16, 2010

Subject: Memorandum of Understanding between the Authority and the Department of State

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### **Request:**

The Members are asked to approve a Memorandum of Understanding between the Authority and the Department of State to assign staff from the EDA's Business Retention and Attraction Division to the Department of State.

### **Background:**

In 2008, several functions of the New Jersey Commerce Commission were consolidated with the EDA and other agencies throughout state government. The consolidation resulted in the establishment of the Business Retention and Attraction Division (BRAD) within EDA, which included staff focused on domestic and international business attraction and retention, outreach/event planning and the business call center.

In early 2010, Governor Chris Christie and Lt. Governor Kim Guadagno announced the formation of the New Jersey Partnership for Action to streamline all business outreach and assistance activities. This partnership will operate with three interconnected and targeted organizational elements to attract new businesses and help existing businesses thrive by focusing in on relationship-building and person-to-person outreach, promoting state incentives and resources, developing pro-growth policies, and assisting businesses in navigating state government and programs.

The three elements of the Partnership include the following:

- **Choose New Jersey** - a privately funded, not-for-profit corporation that will position New Jersey as a world-class leader in the competitive global marketplace, creating a prosperous and vibrant economy for the State and its citizens by effectively leveraging its

diverse resource base and utilizing its reputation for innovation. Choose New Jersey will also market incentive programs to attract and retain job creators and provide policy recommendations to make New Jersey a home for growth.

- **Business Action Center** – a team reporting directly to Lt. Gov. Guadagno that will bring a customer service approach to coordination and navigation across State and local government agencies for businesses looking to remain, expand or locate in New Jersey.
- The final piece of the Partnership is the **New Jersey Economic Development Authority (EDA)** as the “bank for business.”

The MOU supports the implementation of the Partnership for Action by having the BRAD staff and function work within the Department of State, overseen by Lt. Governor Guadagno, to support the efforts of the Business Action Center (BAC). By elevating the BRAD staff and function to the BAC under the Lt. Governor’s purview, they will be in a more effective position to support the Administration’s efforts to lead economic development in the State, and better suited to meet the needs of businesses that require assistance with navigating regulatory issues and accessing the resources available for business growth. The BAC will work in close collaboration with EDA to ensure New Jersey’s businesses, large and small, receive financial support to create jobs and grow.

The attached Memorandum of Understanding between the EDA and the Department of State memorializes this assignment of staff and emphasizes the importance of business attraction and personal assistance to retain New Jersey businesses. The re-assigned employees, under the terms of the MOU will remain employees of the EDA. This MOU shall cease upon the effective date of any Reorganization Plan concerning the EDA.

**Recommendation:**

Staff recommends the Board authorize the execution by the Chief Executive Officer of the aforementioned Memorandum of Understanding between the Authority and the Department of State, attached in substantially final form, subject to final review by the office of the Attorney General.

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

Prepared By: Maureen Hassett

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
THE NEW JERSEY DEPARTMENT OF STATE  
AND  
THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

This Intergovernmental Agreement (“**Agreement**”) made by and between the New Jersey Department of State (“**DOS**”) and the New Jersey Economic Development Authority (“**EDA**”) will confirm the mutual understanding and intention of the parties hereto as to the following:

**RECITALS**

**WHEREAS**, the New Jersey Department of State is charged with preserving and promoting the State’s art, history, and culture; and

**WHEREAS**, the Secretary of State Chaired the Red Tape Review Group, formed under Governor Chris Christie’s Executive Order 3 to review agency rules and regulations to ascertain those that benefit and those that burden the State’s economy; and

**WHEREAS**, the New Jersey Economic Development Authority was established to create and retain jobs, grow the State’s tax base, and promote economic development and diversity; and

**WHEREAS**, the Business Retention and Attraction Division, also known as the Division of Business Assistance located in the New Jersey Economic Development Authority was established to improve New Jersey’s economy by coordinating economic development; and

**WHEREAS**, New Jersey Department of State is uniquely situated to coordinate and assist the New Jersey Economic Development Authority in encouraging job growth, partnering with other inter-governmental and non-governmental agencies, and effectuating economic development initiatives;

**WHEREAS**, it would be appropriate for the Department of State to assist and enhance cooperation with the New Jersey Economic Development Authority in promoting and coordinating activities and effectuating responsibilities related to the Business Retention Attraction Division;

**NOW, THEREFORE**, DOS and EDA do hereby agree to the following:

1. The recitals set forth above are incorporated within the terms of this Agreement.
2. EDA shall assign an appropriate amount of personnel from its staff (the “Assigned Staff”) to perform the services described below on behalf of the Business Retention Attraction Division to a location specified by DOS.

3. DOS will assist EDA in carrying out its responsibilities with regard to the Business Retention Attraction Division.
4. EDA will continue its budget and fiscal responsibility for the Business Retention Attraction Division but shall consult with DOS.
5. Pursuant to a budget approved by EDA and DOS, EDA agrees to reimburse DOS for all direct expenses incurred in performing the responsibilities that will enhance the mission of the Business Retention Attraction Division. DOS shall submit invoices, supported by clear and verifiable documentation, quarterly and within twenty (20) business days after the close of each quarter.
6. There are no third party beneficiaries of this Agreement.
7. This Agreement may be amended, modified, and supplemented at any time by mutual consent in writing by DOS and EDA.
8. This Agreement shall be effective as of the date last executed by the parties and shall remain in effect unless terminated by one or both parties, in writing, upon forty-five (45) days prior notice. This Agreement shall cease upon the effective date of any Reorganization Plan concerning the New Jersey Economic Development Authority.

**IN WITNESS HEREOF**, the DOS and EDA have executed this agreement on the dates set forth below:

State of New Jersey  
Department of State

New Jersey Economic Development  
Authority

By \_\_\_\_\_  
Kim Guadagno  
Lt. Governor / Secretary of State

By \_\_\_\_\_  
Caren Franzini  
Chief Executive Officer

Dated \_\_\_\_\_

Dated \_\_\_\_\_



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Tim Carden  
Audit Committee Chairman

**DATE:** September 16, 2010

**SUBJECT:** Appointment of Independent Auditor

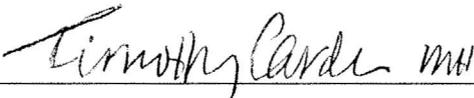
The engagement of the Authority's independent auditor expired at the conclusion of the fiscal year 2009 audit process. Pursuant to Executive Order 122, the Audit Committee commenced a procurement process to select an independent auditor for the Authority. The Audit Committee formed an Evaluation Committee and charged it to draft the Request for Proposal and subsequently evaluate responsive proposals. Seven proposals were received. Based on evaluation criteria established by the Audit Committee, the Evaluation Committee graded and ranked the proposals and discussed the merits of each firm, price and other qualifying factors. The evaluation process concluded with a written report of the results to the Audit Committee.

The Audit Committee considers the evaluation process to be comprehensive. Considering "price and other factors", the respondent firms were ranked based on such evaluative criteria as demonstrated ability, technical qualifications, documented experience and fees. These scores and rankings are summarized on Attachment A. The Audit Committee concurs with the ranking submitted by the Evaluation Committee and recommends the highest ranked firm based on price and other factors, Ernst & Young, LLP, be appointed Independent Auditor to the Authority.

The services required by the Authority are multifaceted as are its operations. Ernst & Young is ranked as a Big 4 accounting firm, has a dedicated governmental services practice in New Jersey and extensive experience providing auditing services, tax preparation and ad hoc technical expertise to the Authority, its Audit Committee, management and staff. The contract for independent auditor will be for a three year term with an optional two year extension at the discretion of the Audit Committee. For the five entities requiring independent audit services, Ernst and Young's fee proposal is not to exceed \$871,415 over the three year (FY10-12) period and \$619,770 for the two year (FY13-14) option period, respectively, which aggregates to \$1,491,185. In the event the Authority requires audit services in addition to the scope of services outlined in the Request for Proposal, the Ernst and Young fee proposal also included hourly rates.

Recommendation

I am asking the Members to approve Ernst & Young, LLP to be the Authority's independent auditor for fiscal years 2010-2012, at the proposed fee of up to \$871,415, with the option to extend the contract for fiscal years 2013-2014, at the proposed fee of up to \$619,770, at the discretion of the Audit Committee. In the event additional audit services are required, I am also requesting the Authority delegate to the Audit Committee the authority to engage Ernst and Young for such additional services.



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Timothy Carden

Prepared by Greg Ritz, C.P.A.



## MEMORANDUM

To: Members of the Board

From: Caren S. Franzini

Date: September 16, 2010

Subject: Executive Session Items  
**For Informational Purposes Only**

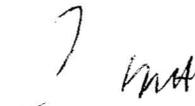
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As the Members are aware, from time to time, items that require the Board's consideration, including real estate, litigation, or personnel matters, are confidential in nature and therefore may not be appropriate for public discussion at that time. For this reason, the Board goes into Executive Session to deliberate on these matters.

In compliance with New Jersey's Open Public Meetings Act, the Board first adopts a resolution at its public meeting indicating generally what matters will be discussed in Executive Session and when these items will be disclosed to the public.

Beginning in January of this year, it has become the practice of the Authority to publicly release details of items considered in Executive Session on an annual basis at the September Board meeting. Many items remain sensitive or unresolved and therefore cannot be made public at this time; however, after a review by staff, several items have been resolved and are no longer considered confidential. Attached, for the Board's information, is a chart outlining the resolved items from the past year.

Staff will continue to review executive session items on an annual basis and present an update to the Board at its annual meeting each September, which will include a list of matters no longer deemed confidential. As is the current practice, if a request is made for information on an Executive Session item in the interim, staff, in consultation with the Attorney General's Office, will review the request to determine if the item can be made public at that time.

  
\_\_\_\_\_

Attachment

Prepared by: Kim Ehrlich

## RESOLVED EXECUTIVE SESSION ITEMS 2009-2010

Item	Date of Action	Description	Resolution
<p>Bid Protest – Vendor Selection for the Camden Riverfront Prison Demolition Services Request for Proposals</p>	<p>September 2009</p>	<p>A formal protest was received from Site Contractors, Inc. to the award of the demolition contract for the Riverfront State Prison project in Camden to Brandenburg Industrial Services, Inc. A Hearing Officer was assigned and a review of the challenge and the bid documents was conducted. The Board approved the Hearing Officer's recommendation to constitute a final authority determination finding the bid challenge was without merit and awarding the contract to Brandenburg Industrial Services, Inc.</p>	<p>No further action was taken by Site Contractors, Inc. to appeal the final authority determination and the work has since been completed.</p>
<p>Letter of Credit Replacement – L-3 Project, Camden, NJ</p>	<p>January 2010</p>	<p>The Real Estate Division publicly advertised a Request for Qualifications/Proposals for a Credit and Liquidity Facility to issue a replacement Letter of Credit (LOC) for the L-3 Project. No responses were received to the solicitation. Negotiations were held with several banking institutions and TD Bank was recommended to issue the replacement LOC for the project upon terms generally consistent with the Term Sheet issued by TD Bank.</p>	<p>A Commitment Letter was subsequently issued on terms acceptable to the NJEDA and the LOC replacement was procured through TD Bank.</p>
<p>Elanti Systems Somerset, NJ \$1,000,000 Edison Innovation Loan</p>	<p>February 2010</p>	<p>Elanti Systems sought the Authority's approval for 3 items:</p> <ol style="list-style-type: none"> <li>1) Merger with NJ based VPI Systems;</li> <li>2) To allow VPI to assume the EDA loan</li> <li>3) EDA collateral subordination to VPI's lender</li> </ol>	<p>The merger between Elanti and VPI Systems has occurred.</p>

**AMENDED BOND RESOLUTIONS**



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

**SUBJECT:** Pivotal Utility Holdings, Inc.  
Application P08623  
Application P16448  
Application P18067  
Various, Various Counties

### MODIFICATION REQUEST

Pivotal Utility Holdings, Inc. requests Board approval of supplemental loan agreements and trust indentures for each of the three series of tax exempt bonds to terminate and cancel the insurance policies provided by the insurers insuring the payment of the series bonds at the request of the sole bondholder and the remarketing of the bonds with new letters of credit.

### BACKGROUND

The Authority has previously issued over \$180 million in tax exempt bonds for Pivotal Utility Holdings, Inc., previously known as NUI and over \$46 million to Pivotal Utilities to upgrade and expand its natural gas furnishing facilities in NJ including, but not limited to, supply mains, distribution mains, service lines, meters and miscellaneous equipment, a propane air facility and renovations to the furnishing facilities all located in the Counties of Middlesex, Sussex and Union. The tax-exempt Bonds outstanding and subject to this request are as follows:

<u>Appl. #</u>	<u>Par Amount</u>	<u>Description</u>
P08623	\$39,000,000	Gas Facilities Revenue Bonds, Series 1996 (NUI Corporation Project) ("1996 Bonds")
P16448	\$46,500,000	Gas Facilities Refunding Revenue Bonds Series 2005 (Pivotal Utility Holdings, Inc. Project) ("2005 Bonds")
P18067	\$54,600,000	Gas Facilities Refunding Revenue Bonds Series 2007 (Pivotal Utility Holdings, Inc. Project) ("2007 Bonds")

In May 2008, the Board approved amending bond resolutions for the 2005 Bonds and the 2007 Bonds in order for Pivotal Utility to remarket the bonds after the collapse of the auction rate securities market. The amendment provided for additional credit enhancement in the form of direct-pay letters of credit issued by Wells Fargo Bank with an expiration date of June 15, 2010. With the

addition of the direct-pay letters of credit, together with the original bond insurance provided by Ambac Assurance Corporation (“Ambac”), the 2005 Bonds were successfully remarketed as variable rate bonds in a daily mode by Wachovia Securities; and the 2007 Bonds, together with the original bond insurance provided by Financial Guaranty Insurance Company (“FGIC”) were also remarketed as variable rate bonds in a daily variable rate by SunTrust Capital Markets.

In August 2008, in order to structure the 1996 Bonds similar to the two other outstanding bond issues, the Board approved an amending bond resolution for Pivotal Utilities to provide for a direct pay letter of credit on the 1996 Bonds and terminate the stand-by bond purchase agreement with the Bank of New York and the Bank of Tokyo-Mitsubishi. The 1996 Bonds were then remarketed by Banc of America Securities LLC as variable rate bonds in the daily mode secured by a direct pay letter of credit issued by Bank of America, N.A. with expiration date of September 6, 2010, together with the original bond insurance provided by Ambac.

Pivotal Utilities made a business decision not to renew the existing letters of credit with Wells Fargo Bank and the Bank of America on the respective series of bonds and to secure substitute letters of credit with new banks that were willing to do the transaction at a competitive price. With the expiration of the existing letters of credit, there was a mandatory tender and re-purchase of the 2005 and 2007 Bonds by Pivotal Utilities on May 28, 2010 and on September 7, 2010 for the 1996 Bonds. Therefore, currently Pivotal Utilities holds all of the outstanding bonds in the aggregate principal amount of \$140,100,000.

In addition, due to the continuing financial troubles of the bond insurers, Ambac and FGIC, Pivotal Utilities has requested, and the insurers have agreed, to cancel and terminate the respective insurance policies issued by Ambac on the 1996 Bonds and the 2005 Bonds and by FGIC on the 2007 Bonds.

### **MODIFICATION REQUEST**

Pivotal Utilities Holdings, Inc. requests Board approval to (i) amend the respective indentures of trust and loan agreements for each of the Series of Bonds to terminate and cancel the insurance policies of Ambac on the 2005 Bonds and 1996 Bonds and FGIC on the 2007 Bonds; (ii) remarket the Bonds with the addition of new letters of credit, and (iii) other incidental actions necessary to accomplish the foregoing.

Pivotal Utilities is finalizing the terms and conditions of new letter of credit and security agreements with JPMorgan Chase Bank, N.A. for the 2007 Bonds and 1996 Bonds; and with Bank of Tokyo-Mitsubishi UFJ, Ltd. for the 2005 Bonds. J.P. Morgan Securities LLC will act as remarketing agent for the 1996 Bonds and the 2007 Bonds and SunTrust Robinson Humphrey will act as remarketing agent for the 2005 Bonds. Pivotal Utility expects to remarket each of the bond series in late September or early October.

Bond counsel, McCarter & English, has reviewed the Modification Request and will provide all necessary opinions and documentation.

### **RECOMMENDATION**

As the Modification Request provides for the remarketing of each bond series at the same time with new credit enhancement and without the distressed bond insurers, staff recommends and requests the adoption of three (3) separate amended bond resolutions:

- 1) The adoption of an Amended Bond Resolution for the 1996 Bonds (Appl. # P08623) to approve (i) the termination and cancellation of the insurance policy provided by Ambac; (ii) the addition of a new letter provided by JPMorgan Chase Bank, N.A. to secure the 1996 Bonds; (iii) the subsequent remarketing of the bonds by J.P. Morgan Securities LLC with the new letter of credit; and (iv) other necessary action that may be required to accomplish the foregoing.
- 2) The adoption of an Amended Bond Resolution for the 2005 Bonds (Appl. P16448) to approve (i) the termination and cancellation of the insurance policy provided by Ambac; (ii) the addition of a new letter provided by Bank of Tokyo-Mitsubishi UFJ, Ltd. to secure the 2005 Bonds; (iii) the subsequent remarketing of the bonds by SunTrust Robinson Humphrey with the new letter of credit; and (iv) other necessary action that may be required to accomplish the foregoing.
- 3) The adoption of an Amended Bond Resolution for the 2007 Bonds (Appl. P 18067) to approve (i) the termination and cancellation of the insurance policy provided by FGIC; (ii) the addition of a new letter provided by JPMorgan Chase Bank, N.A. to secure the 2007 Bonds; (iii) the subsequent remarketing of the bonds by J.P. Morgan Securities LLC with the new letter of credit; and (iv) other necessary action that may be required to accomplish the foregoing.

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

Prepared By: Teresa Wells

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - REFUNDING BOND PROGRAM**

**APPLICANT:** Public Service Electric and Gas Company

P33052

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

\* - indicates relation to applicant

**PROJECT LOCATION:** Various

Statewide (N)

Multi Count

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

**APPLICANT BACKGROUND:**

Public Service Electric and Gas Company ("PSE&G") is a regulated public utility that distributes electric energy and gas to customers within a designated service area comprising approximately 2,600 square miles and running diagonally from Bergen County in the north to below Camden in the south. Approximately 5.5 million people, or about 70% of the State's population, reside in this service territory. PSE&G employs approximately 6,000 people statewide. PSE&G was incorporated in 1924 and is a wholly-owned subsidiary of Public Service Enterprise Group Inc.

PSE&G received Authority Assistance via tax-exempt bonds in the amount of \$100 million in 1994 to refinance conventional debt associated with construction of certain sewage and solid waste disposal facilities at the Hope Creek Generating Station. Prudential Securities was the senior manager of term fixed rate bond at 6.40% maturing on May 1, 2032. The Bonds are in compliance.

This project qualifies as an Exempt Public Facility under Section 142(a)(5) Sewage Facility of the Internal Revenue Service Code of 1986, as amended and therefore is not subject to the \$10,000,000 capital expenditure limitation under Section 144 of the Code.

**REFUNDING REQUEST:**

Authority assistance will enable the applicant to refund the par amount outstanding of the 1994 Bonds. Current capital market conditions justify refunding this bond on a cost savings basis of at least 120 basis points in interest savings. It is expected that the refunding bonds will be rated at least an "A" long term. The difference between the bond amount and the project costs will be funded with applicant's equity.

BPU approval was received on 7/1/09 which allows PSE&G to refinance existing debt until 12/31/2011.

**FINANCING SUMMARY:**

**BOND PURCHASER:** Morgan Stanley & Co. Incorporated & Bank of America Merrill Lynch  
(Co-Managing Underwriters)

**AMOUNT OF BOND:** \$100,000,000 (Tax-exempt)

**TERMS OF BOND:** 22 years; Multi-modal interest rate structure with interest rates not to exceed 9% (initially fixed interest rate for 1 year estimated at 5.2%).

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Principal amount of bond to be refunded	\$100,000,000
Finance fees	\$493,750
Legal fees	\$150,000
Accounting fees	\$35,000
<b>TOTAL COSTS</b>	<b>\$100,678,750</b>

**PUBLIC HEARING:** 05/03/94 (Published 04/18/94) **BOND COUNSEL:** Carella, Byrne, Bain, Gilfillan,  
**DEVELOPMENT OFFICER:** P. Ceppi **APPROVAL OFFICER:** T. Wells

**COMBINATION PRELIMINARY AND BOND RESOLUTIONS**

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

**APPLICANT:** Bnos Bais Yaakov, Inc

P33146

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 155 Oberlin Avenue North Lakewood Township (T/UA) Ocean

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

**APPLICANT BACKGROUND:**

Bnos Bais Yaakov, Inc., is a 501(3) not-for-profit corporation established in 2006 to own and operate a girls' high school (grades 9 - 12) known as the Bnos Bais Yaakov High School in Lakewood, Ocean County. The School is housed in a 40,000 sq. ft. building with 12 classrooms, a large auditorium, gym, cafeteria, computer labs, and administrative offices. The current enrollment is 175 students. David H. Winkler is the Executive Director and Chaim Finkel is the President.

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

**APPROVAL REQUEST:**

Authority assistance will enable the Applicant to refinance the existing debt incurred to acquire and improve the school building (a mortgage note from the seller of the property, J.A.C.C. Realty, 25 year term at 5.15% and unsecured debt borrowed from individuals) plus pay costs of issuance.

**FINANCING SUMMARY:**

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

**AMOUNT OF BOND:** up to \$3,800,000 (Tax-exempt/Bank Qualified Bond)

**TERMS OF BOND:** 20 years; Variable interest rate based on the tax exempt equivalent of 1 month LIBOR plus 280 basis points (current indicative rate is 2.11%). On the closing date, the borrower may enter into a swap agreement to an indicative fixed rate as of August 27, 2010 of 3.8% for 10 years; subject to call option and rate reset at the 10 yr anniversary.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Refinancing	\$3,667,500
Finance fees	\$75,000
Legal fees	\$57,500
<b>TOTAL COSTS</b>	<u><u>\$3,800,000</u></u>

**JOBS:** At Application 52 Within 2 years 2 Maintained 9 Construction 0

**PUBLIC HEARING:** 09/16/10 (Published 09/02/10) **BOND COUNSEL:** Wolff & Samson

**DEVELOPMENT OFFICER:** R. Fischer **APPROVAL OFFICER:** T. Wells

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

**APPLICANT:** Children's Aid and Family Services, Inc.

P32828

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 200 Robin Road

Paramus Borough (N)

Bergen

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

**APPLICANT BACKGROUND:**

Children's Aid and Family Services, Inc., a not-for-profit corporation whose origins date back to 1899, is one of the leading nonprofit human services organizations serving northern New Jersey. The agency is fully accredited and has served the community for more than 110 years. Its mission is to preserve, protect and, when needed, provide families. Motivated by compassion for vulnerable children, young adults, frail elderly and their families, it provides high-quality and innovative services that meet their social, educational, and emotional needs. Robert B. Jones, Ph.D., has been serving as its President and CEO.

Re-organized in 1995 with the merger of the Children's Aid and Adoption Society of New Jersey and the Family Counseling Service of Ridgewood and Vicinity, Inc., this nonprofit is recognized as a leader in adoption and specialty therapeutic services for children who have been severely traumatized and abused. The agency, together with volunteers, provide special needs for adoption, childcare and early childhood education, foster care, counseling, and other social services to those who are disadvantaged, at-risk or in crisis. It provides a continuum of services to more than three million people living in Northern New Jersey. In October 2009, with the acquisition of The Center for Alcohol and Drug Resources, the agency has added addiction prevention services to its portfolio of services.

Applicant is seeking Authority assistance to refinance a conventional bank line of credit with TD Bank, N.A. (from 2005-2006, principal outstanding: \$1,801,668, currently interest only at 2.25%); and to reimburse itself approximately \$198,332 for the acquisition of furnishings, machinery and equipment, and costs associated with the repair and replacement of the exterior surface of the original building.

The Applicant received tax-exempt bond financing in 1998 in the amount of \$3,185,000 million (P09950) (refunded in 2002 w/P13848), and it is being refunded again with P32829 in this agenda.

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 Internal Revenue Code of 1986, 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 its \$1,801,668 conventional bank loan, which was used to build an addition for agency staff, and to reimburse itself approximately \$198,332 for furnishing and equipping same, and renovating the existing structure, plus pay the cost of issuance.

**FINANCING SUMMARY:**

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

**AMOUNT OF BOND:** \$2,000,000 Tax-Exempt Bank Qualified Bond

**TERMS OF BOND:** 20-year term with a call option in Year 10; floating rate at tax-exempt equivalent of one-month LIBOR (one-month LIBOR rate as of 08/24/2010 is 0.26%) plus 250 bps; indicative t/e floating rate as of 09/07/2010 is 1.90%; indicative t/e 10-year fixed swap rate as of 08/30/2010 is 3.76%.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Refinancing	\$2,000,000
Cost of Issuance	\$38,000
Finance fees	\$7,500
<b>TOTAL COSTS</b>	<b>\$2,045,500</b>

**JOBS:** At Application      62 Within 2 years      3 Maintained      0 Construction      0

**PUBLIC HEARING:** 09/16/10 (Published 08/30/10)      **BOND COUNSEL:** McManimon & Scotland

**DEVELOPMENT OFFICER:** P. Ceppi      **APPROVAL OFFICER:** D. Sucsuz

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - REFUNDING BOND PROGRAM**

**APPLICANT:** Children's Aid and Family Services, Inc.

P32829

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 200 Robin Rd & 651 Paramus Rd Paramus Borough (N)

Bergen

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

**APPLICANT BACKGROUND:**

Children's Aid and Family Services, Inc., a not-for-profit corporation whose origins date back to 1899, is one of the leading nonprofit human services organizations serving northern New Jersey. The agency is fully accredited and has served the community for more than 110 years. Its mission is to preserve, protect and, when needed, provide families. Motivated by compassion for vulnerable children, young adults, frail elderly and their families, it provides high-quality and innovative services that meet their social, educational, and emotional needs. Robert B. Jones, Ph.D., has been serving as its President and CEO.

Re-organized in 1995 with the merger of the Children's Aid and Adoption Society of New Jersey and the Family Counseling Service of Ridgewood and Vicinity, Inc., this nonprofit is recognized as a leader in adoption and specialty therapeutic services for children who have been severely traumatized and abused. The agency, together with volunteers, provide special needs for adoption, childcare and early childhood education, foster care, counseling, and other social services to those who are disadvantaged, at-risk or in crisis. It provides a continuum of services to more than three million people living in Northern New Jersey. In October 2009, with the acquisition of The Center for Alcohol and Drug Resources, the agency has added addiction prevention services to its portfolio of services.

Applicant is seeking Authority assistance to refund an EDA tax-exempt bond (P09950 in 1998, refunded w/P13848 in 2002 as part of the \$24,750,000 Department of Human Services Pooled Market Issue). The 1998 bond was used to acquire and renovate a 28,000-sf building for a child care center. The 2002 refunding issue also refinanced a small conventional mortgage that was originally used to acquire a group home for youngsters.

The Applicant is refinancing a conventional bank line of credit with P32828 in this agenda.

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 Internal Revenue Code of 1986, as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

**REFUNDING REQUEST:**

Authority assistance will enable the applicant to advance refund its \$1,958,000 tax-exempt debt, which was used for acquisitions and renovations of buildings, plus pay the cost of issuance.

**FINANCING SUMMARY:**

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

**AMOUNT OF BOND:** \$1,975,000 Tax-Exempt Bank Qualified Bond

**TERMS OF BOND:** 13-year term with a call option in Year 10; floating rate at tax-exempt equivalent of one-month LIBOR (one-month LIBOR rate as of 08/24/2010 is 0.26%) plus 250 bps; indicative t/e floating rate as of 09/07/2010 is 1.90%; indicative t/e 10-year fixed swap rate as of 08/30/2010 is 3.64%.

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Principal amount of bond to be refunded	\$1,958,000
Cost of Issuance	\$37,000
Finance fees	\$7,500
<b>TOTAL COSTS</b>	<u><u>\$2,002,500</u></u>

**PUBLIC HEARING:** 09/16/10 (Published 08/30/10)    **BOND COUNSEL:** McManimon & Scotland  
**DEVELOPMENT OFFICER:** P. Ceppi                      **APPROVAL OFFICER:** D. Sucsuz

## **PRELIMINARY RESOLUTIONS**

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

**APPLICANT:** Intermodal Materials Management, LLC

P32874

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 6000 Westside Avenue

North Bergen Township (T/UA)

Hudson

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

**APPLICANT BACKGROUND:**

Intermodal Materials Management, LLC (IMM) was formed on July 17, 2009, to market and manufacture ready mixed concrete, aggregates, rebar and other related construction products to companies in the Northern NJ and Metro NY region. The applicant's proposed facility is centrally located, adjacent to the NYS&W Railway, with a 2,420 foot rail siding, and connects with CSN and Norfolk Southern railroads. This location will be one mile from the proposed ARC Tunnel, a commuter rail tunnel under the Hudson River that will add commuter rail capacity between Newark and Midtown Manhattan, and two miles from the Lincoln Tunnel and within one mile to both the NJ Turnpike and Rt 3. The site is strategically located for IMM to provide services for companies working on the ARC Tunnel and other projects in New York City and the Northern New Jersey region.

The applicant is owned by Testa Corp and Stephen J. Guido. Testa Corporation, a family-owned and operated business since 1967, dedicated to providing unparalleled service in demolition operations, site development, and program management. Among its better known project's is the Boston Central Artery Tunnel project. Mr. Guido has extensive intermodal experience and has formed and successfully managed 2 prior intermodal operations.

**APPROVAL REQUEST:**

Authority assistance will enable the Applicant to purchase approximately 3.3 acres of land, build a ready mix concrete manufacturing plant with a daily capacity of up to 2,000 cubic yards, and purchase of equipment and machinery. It is anticipated IMM will request the Authority to provide a partial guarantee of the bond.

**FINANCING SUMMARY:**

**BOND PURCHASER:**

**AMOUNT OF BOND:**

**TERMS OF BOND:**

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Purchase of equipment & machinery	\$2,910,500
Land	\$2,603,146
Raid Track Siding	\$1,650,000
Construction of new building or addition	\$1,535,000
Construction of roads, utilities, etc.	\$790,000
Interest during construction	\$300,000
Engineering & architectural fees	\$250,000
Finance fees	\$200,000
Legal fees	\$25,000
<b>TOTAL COSTS</b>	<b>\$10,263,646</b>

**JOBS:** At Application      0 Within 2 years      50 Maintained      0 Construction      70

**PUBLIC HEARING:**

**DEVELOPMENT OFFICER:** M. Abraham

**BOND COUNSEL:** Gluck Walrath, LLP

**APPROVAL OFFICER:** M. Krug

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

**APPLICANT:** Weiss-Aug Co., Inc.

P33025

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 220 Merry Lane

East Hanover Township (N)

Morris

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

**APPLICANT BACKGROUND:**

Weiss-Aug Co., Inc. (Weiss), founded in 1972, is a privately held company that custom manufacturers precision miniature metal stamping, plastic insert moldings and customer assemblies for the automotive, medical, electronic and semiconductor industries. The applicant does all the manufacturing in NJ, with a majority of its customers in North America and Europe.

Dieter Weissenrieder, trading as Weiss-Aug Co., Inc., is a long term customer of the Authority, with its first bond financing dating back to 1977. The most recent transaction was a \$3.3 million, 10 year refunding tax-exempt bond (P015463) that closed in December 2003. The original bond proceeds were used to acquire production equipment in 1993. It is anticipated the applicant will request refinancing of the 2003 Refunding Bond at a future date.

**APPROVAL REQUEST:**

Authority assistance will enable the borrower to acquire a solar power system and new manufacturing equipment to meet customer needs.

**FINANCING SUMMARY:**

**BOND PURCHASER:**

**AMOUNT OF BOND:**

**TERMS OF BOND:**

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Purchase of equipment & machinery	\$3,500,000
Acq of of Solar System	\$3,080,000
Acq of Used Equip	\$600,000
Renovation of existing equipment & machi	\$400,000
Legal fees	\$37,350
Finance fees	\$33,400
<b>TOTAL COSTS</b>	<u><u>\$7,650,750</u></u>

**JOBS:** At Application 150 Within 2 years 30 Maintained 0 Construction 0

**PUBLIC HEARING:**

**BOND COUNSEL:** Wolff & Samson

**DEVELOPMENT OFFICER:** D. Johnson

**APPROVAL OFFICER:** M. Krug

## **DIRECT LOANS**

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

**APPLICANT:** Fantasy Furniture, Inc. or Nominee P32851  
**PROJECT USER(S):** Same as applicant \* - indicates relation to applicant  
**PROJECT LOCATION:** 1460 Chestnut Avenue Hillside Township (T/UA) Union  
**GOVERNOR'S INITIATIVES:** (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

Fantasy Furniture, Inc. ("FFI") was formed in 1995 by George Stavila as a designer and manufacturer of high-end custom furniture, fire-proof doors, custom veneer surfacing and visual merchandising displays. The company currently has 25 full-time employees and is seeking to relocate from Ridgewood, NY to Hillside. FFI has agreed to purchase the 58,000 square-foot property located at 1460 Chestnut Avenue for \$2.95 million to facilitate business expansion. Central Jersey Bank has approved a \$1,850,000 mortgage with an 81.08% SBA 7(a) guarantee (bank's portion equals \$350,000). The loan is contingent upon a \$350,000 EDA direct loan, a \$400,000 seller note and a \$357,000 equity contribution.

**APPROVAL REQUEST:**

Approval is requested for a \$350,000 direct loan.

**FINANCING SUMMARY:**

**LENDER:** NJEDA  
**AMOUNT OF LOAN:** \$350,000

**TERMS OF LOAN:** Borrower will have the option of a fixed rate at the 5-year Treasury plus 25 basis points with a floor of 3% or a floating rate at Prime minus 400 basis points with a floor of 3%. 10-year term, 15-year amortization with a rate reset at the end of the fifth year at the same index if the fixed rate option is selected.

**PROJECT COSTS:**

Acquisition of existing building	\$2,950,000
Finance fees	\$7,000
<b>TOTAL COSTS</b>	<u><u>\$2,957,000</u></u>

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

**DEVELOPMENT OFFICER:** M. Abraham

**APPROVAL OFFICER:** S. Brady

**PETROLEUM UNDERGROUND STORAGE TANK  
PROGRAM**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Caren S. Franzini  
Chief Executive Officer  
**DATE:** September 16, 2010  
**SUBJECT:** NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

**Private Grants:**

Linda Mahland Ballantine .....	\$163,403
Solomon's Service Station.....	\$175,894
Helen Tweed .....	\$121,770
Katie Wright .....	\$140,704

**Total UST funding for September 2010.....** \$601,771

Prepared by: Lisa Petrizzi

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

**APPLICANT:** Linda Mahland Ballantine

P32750

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 23 Locust Avenue

Eatontown Borough (N)

Monmouth

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

**APPLICANT BACKGROUND:**

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

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

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$163,403 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$16,340 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:** \$163,403

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

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$163,403
NJDEP oversight cost	\$16,340
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<b>\$179,993</b>

**APPROVAL OFFICER:** L. Petrizzi

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

**APPLICANT:** Solomon's Service Station

P32026

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 840 River Road

Ewing Township (N)

Mercer

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

**APPLICANT BACKGROUND:**

Solomon's Service Station is seeking to perform remediation for the closure of six underground storage tanks (UST's) at the project site. The tanks will be decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the project costs are technically eligible.

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

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$175,894 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$17,589 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** \$175,894

**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	\$175,894
NJDEP oversight cost	\$17,589
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$193,983</b>

**APPROVAL OFFICER:** L. Petrizzi

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

**APPLICANT:** Helen Tweed

P31141

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 103 Belshaw Avenue

Shrewsbury Township (N)

Monmouth

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

**APPLICANT BACKGROUND:**

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

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

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$121,770 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$12,177 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**\$121,770

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

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$121,770
NJDEP oversight cost	\$12,177
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<b>\$134,197</b>

**APPROVAL OFFICER:** L. Petrizzi

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

**APPLICANT:** Katie Wright

P32319

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 129 Birch Avenue

Princeton Borough (N)

Mercer

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

**APPLICANT BACKGROUND:**

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

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

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$140,704 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$14,070 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**\$140,704

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

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$140,704
NJDEP oversight cost	\$14,070
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<b>\$155,024</b>

**APPROVAL OFFICER:** L. Petrizzi



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

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

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

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

Below is a summary of the Delegated Authority approvals processed by Program Services for the period August 01, 2010 to August 31, 2010

Summary:	# of Grants	\$ Amount
Leaking tank grants awarded	110	\$2,171,454
Non-leaking tank grants awarded	169	\$477,064

Applicant	Description	Grant Amount	Awarded to Date
Arenas, Elizabeth (P30868)	Supplemental grant for site remediation	\$69,284	\$74,933
Arias, Marino (P32024)	Initial grant for upgrade, closure and remediation	\$13,060	\$13,060
Arway, Barbara (P32005)	Initial grant for upgrade, closure and remediation	\$5,897	\$5,897
Bal, Anna (P30964)	Initial grant for upgrade, closure and remediation	\$29,748	\$29,748
Barrow, Gerald C. (P30024)	Initial grant for upgrade, closure and remediation	\$98,795	\$98,795
Boonham, Tom (P31072)	Initial grant for upgrade, closure and remediation	\$32,800	\$32,800
Boot, Johan (P30928)	Initial grant for upgrade, closure and remediation	\$19,514	\$19,514
Bork, Agnes (P32272)	Initial grant for upgrade, closure and remediation	\$11,708	\$11,708
Bosmann, William (P31031)	Initial grant for upgrade, closure and remediation	\$21,046	\$21,046
Botta, Michael (P31975)	Initial grant for upgrade,	\$10,949	\$10,949

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Breen, Robert (P32154)	Initial grant for upgrade, closure and remediation	\$15,531	\$15,531
Brinkman, Carol and John (P32071)	Initial grant for upgrade, closure and remediation	\$42,421	\$42,421
Buckmaster, Dale (P31644)	Initial grant for upgrade, closure and remediation	\$43,643	\$43,643
Bunker Hill Lutheran Church (P30105)	Supplemental grant for upgrade, closure and remediation	\$2,811	\$31,825
Burroughs, Rebecca (P31652)	Initial grant for upgrade, closure and remediation	\$21,381	\$21,381
Carbone, Gerard and Roseanne (P30872)	Initial grant for upgrade, closure and remediation	\$4,695	\$4,695
Chen, Cathy (P28851)	Initial grant for upgrade, closure and remediation	\$11,327	\$11,327
Chin-Buck, Jenny (P31254)	Initial grant for upgrade, closure and remediation	\$28,225	\$28,225
Chrono, Michael and Kathleen (P31523)	Initial grant for upgrade, closure and remediation	\$9,761	\$9,761
Church of the Little Flower (P30059)	Initial grant for upgrade, closure and remediation	\$88,750	\$88,750
Conard, Patricia (P31098)	Initial grant for upgrade, closure and remediation	\$26,958	\$26,958
Coppola, Vincent (P31373)	Initial grant for upgrade, closure and remediation	\$7,265	\$7,265
Cusumano, Steven (P31048)	Initial grant for upgrade, closure and remediation	\$14,003	\$14,003
Dahab, Sam A. (P31244)	Initial grant for upgrade, closure and remediation	\$5,514	\$5,514
Darley, Agnes and Thomas (P30019)	Initial grant for upgrade, closure and remediation	\$3,400	\$3,400
Daura, Damon (P30707)	Initial grant for upgrade, closure and remediation	\$9,475	\$9,475
DeVito, Josephine (P30073)	Supplemental grant for upgrade, closure and remediation	\$43,854	\$166,007*
Demarco, Katherine Estate of (P27792)	Initial grant for upgrade, closure and remediation	\$17,872	\$17,872
Dluzniewski, William (P32105)	Initial grant for upgrade, closure and remediation	\$7,271	\$7,271
Doughty, Richard F. (P30963)	Initial grant for site remediation	\$1,275	\$1,275
Dugent, Vincent (P32073)	Initial grant for upgrade, closure and remediation	\$7,855	\$7,855
Eckert, Nancy (P30464)	Initial grant for site	\$5,641	\$5,641

Applicant	Description	Grant Amount	Awarded to Date
	remediation		
Egli, Kevin (P31651)	Initial grant for upgrade, closure and remediation	\$21,710	\$21,710
Ellerman, Stephen (P30438)	Initial grant for upgrade, closure and remediation	\$6,135	\$6,135
Ellis, Norman (P31993)	Initial grant for upgrade, closure and remediation	\$11,587	\$11,587
Farley, James M. (P31169)	Initial grant for upgrade, closure and remediation	\$24,961	\$24,961
Farrand, George and Elyn (P32020)	Initial grant for upgrade, closure and remediation	\$6,877	\$6,877
Finamore, Ronald and Yvonne (P31537)	Initial grant for upgrade, closure and remediation	\$23,608	\$23,608
Freeman, Estelle (P31321)	Initial grant for upgrade, closure and remediation	\$7,146	\$7,146
Gebhard, Dimitra (P32093)	Initial grant for upgrade, closure and remediation	\$9,128	\$9,128
Gesicki, Matt (P32066)	Partial initial grant for upgrade, closure and remediation	\$4,898	\$4,898
Gonzalez, Robert and Madeline (P31938)	Initial grant for upgrade, closure and remediation	\$13,250	\$13,250
Griswold, Viola (P32019)	Supplemental grant for upgrade, closure and remediation	\$61,416	\$89,076
Gritenas, Karen L. (P31511)	Initial grant for upgrade, closure and remediation	\$10,399	\$10,399
Groh, Philip (P31648)	Initial grant for upgrade, closure and remediation	\$35,188	\$35,188
Hamilton, Maureen (P31081)	Initial grant for upgrade, closure and remediation	\$12,861	\$12,861
Hawks, Richard (P31765)	Initial grant for upgrade, closure and remediation	\$36,541	\$36,541
Holland, Shaun (P31366)	Initial grant for upgrade, closure and remediation	\$19,662	\$19,662
Holy Spirit Church (P30347)	Supplemental grant for site remediation	\$56,192	\$90,356
Johns, Curtis and Linda (P31709)	Initial grant for upgrade, closure and remediation	\$30,279	\$30,279
Johnson, Laura (P31002)	Initial grant for upgrade, closure and remediation	\$7,235	\$7,235
Kacirek, Joseph (P32440)	Initial grant for upgrade, closure and remediation	\$57,003	\$57,003
Karetnick, Myra (P31697)	Initial grant for upgrade, closure and remediation	\$2,040	\$2,040
Kaulfers, Ryan (P31369)	Initial grant for upgrade,	\$10,383	\$10,383

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Kleinberg, Neil and Lisa Kollberg (P31035)	Initial grant for upgrade, closure and remediation	\$11,907	\$11,907
Kofler, Antoinette (P31777)	Initial grant for upgrade, closure and remediation	\$26,060	\$26,060
Larkin, Michael and Marie (P31647)	Partial initial grant for upgrade, closure and remediation	\$19,680	\$19,680
Lieggi, Carol Altiei (P32443)	Initial grant for upgrade, closure and remediation	\$23,560	\$23,560
Loikits, Brandon and April Merl (P31226)	Initial grant for upgrade, closure and remediation	\$16,357	\$16,357
Lopez, Jose (P30980)	Initial grant for upgrade, closure and remediation	\$22,977	\$22,977
Lund-Davis, Carol Frances (P31870)	Initial grant for upgrade, closure and remediation	\$18,511	\$18,511
MacDougall, JoAnn (P31953)	Initial grant for upgrade, closure and remediation	\$16,680	\$16,680
McDaniel, John and Ether (P30103)	Initial grant for upgrade, closure and remediation	\$61,748	\$61,748
Mesonero, Enrique and Enid (P31967)	Initial grant for upgrade, closure and remediation	\$4,397	\$4,397
Miceli, Robert (P32096)	Initial grant for upgrade, closure and remediation	\$15,007	\$15,007
Miesieski, Joseph and Julie (P31865)	Initial grant for upgrade, closure and remediation	\$14,376	\$14,376
Migueis, John P. (P30721)	Initial grant for upgrade, closure and remediation	\$4,601	\$4,601
Mikulski, Robert (P31767)	Initial grant for upgrade, closure and remediation	\$6,121	\$6,121
Mildred Conroy Corporation (P31076)	Supplemental grant for site remediation	\$12,036	\$20,301
Miller, Scott and Cheryl (P31619)	Initial grant for upgrade, closure and remediation	\$29,763	\$29,763
Misra, Ram (P32064)	Initial grant for upgrade, closure and remediation	\$20,868	\$20,868
Moersdorf, Charles (P27957)	Partial initial grant for upgrade, closure and remediation	\$1,921	\$1,921
Mondello, Louis (P31008)	Initial grant for upgrade, closure and remediation	\$29,883	\$29,883
Muller, Angela (P31330)	Initial grant for upgrade, closure and remediation	\$18,630	\$18,630
Murida'allah, Qaadir (P28700)	Initial grant for upgrade, closure and remediation	\$7,051	\$7,051
Murtha, Dennis (P31775)	Initial grant for upgrade,	\$9,504	\$9,504

<b>Applicant</b>	<b>Description</b>	<b>Grant Amount</b>	<b>Awarded to Date</b>
	closure and remediation		
Nilsen, Kristen (P31059)	Initial grant for upgrade, closure and remediation	\$54,840	\$54,840
O'Connor, Patricia (P30632)	Initial grant for site remediation	\$17,907	\$17,907
Our Lady of Lourdes Church (P30778)	Initial grant for upgrade, closure and remediation	\$27,949	\$27,949
Paray, Mary and Elizabeth Rizzolo (P30793)	Initial grant for site remediation	\$22,521	\$22,521
Pearson, Peter and Betty (P32023)	Partial initial grant for upgrade, closure and remediation	\$4,681	\$4,681
Perry, Bruce (P31352)	Initial grant for upgrade, closure and remediation	\$18,052	\$18,052
Plaza, Charlene (P31179)	Initial grant for upgrade, closure and remediation	\$50,601	\$50,601
Polizzi, Joseph (P31864)	Initial grant for upgrade, closure and remediation	\$23,258	\$23,258
Pryor, Joseph (P31591)	Initial grant for upgrade, closure and remediation	\$38,393	\$38,393
Pryor, Loretta (P32125)	Initial grant for upgrade, closure and remediation	\$3,094	\$3,094
Puleio, Ricky (P32025)	Initial grant for upgrade, closure and remediation	\$21,782	\$21,782
Recchio, Philip (P31600)	Initial grant for upgrade, closure and remediation	\$8,250	\$8,250
Reime, Virginia (P32022)	Initial grant for upgrade, closure and remediation	\$2,998	\$2,998
Riecke, Jon (P32274)	Initial grant for upgrade, closure and remediation	\$9,296	\$9,296
Rinehart, Tad and Wendy (P30638)	Initial grant for upgrade, closure and remediation	\$13,596	\$13,596
Rodriguez, Jose (P32113)	Supplemental grant for upgrade, closure and remediation	\$1,752	\$8,238
Scarpelli, Joseph (P31005)	Initial grant for upgrade, closure and remediation	\$4,699	\$4,699
Schroeder, Raymond W., Jr. (P31177)	Initial grant for upgrade, closure and remediation	\$17,131	\$17,131
Shor, Irina (P30810)	Initial grant for upgrade, closure and remediation	\$1,938	\$1,938
Snowball, Susan A. (P31673)	Initial grant for upgrade, closure and remediation	\$38,337	\$38,337
Sorrin, Ronit (P31987)	Supplemental grant for site remediation	\$5,000	\$23,756
Tejani, Pravin (P32086)	Initial grant for upgrade,	\$10,844	\$10,844

<b>Applicant</b>	<b>Description</b>	<b>Grant Amount</b>	<b>Awarded to Date</b>
	closure and remediation		
Titus, Elizabeth (P31949)	Initial grant for upgrade, closure and remediation	\$12,453	\$12,453
Tsyrlin, Dimitriy (P31300)	Initial grant for upgrade, closure and remediation	\$14,642	\$14,642
Turtu, Frank and Theresa (P31000)	Initial grant for upgrade, closure and remediation	\$9,618	\$9,618
Tyagi, Kusum (P31948)	Supplemental grant for site remediation	\$8,517	\$18,287
Underwald, Craig (P32375)	Supplemental grant for site remediation	\$4,330	\$23,140
Vannella, Joseph (P31004)	Initial grant for upgrade, closure and remediation	\$31,099	\$31,099
Villanueva, Jr., Paciano (P30579)	Supplemental grant for site remediation	\$6,120	\$19,960
Vitovitch, III, Nicholas (P31077)	Initial grant for upgrade, closure and remediation	\$24,348	\$24,348
Wendt, Brian J. and Mary F. (P31764)	Initial grant for upgrade, closure and remediation	\$22,831	\$22,831
Wrisley, Jean (P31968)	Initial grant for upgrade, closure and remediation	\$32,520	\$32,520
Young, James (P31107)	Initial grant for upgrade, closure and remediation	\$8,497	\$8,497
Zauzig, Richard and Debra (P31170)	Initial grant for upgrade, closure and remediation	\$7,694	\$7,694

**110 Grants**

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

**\$2,171,454**

Aldarelli, Barbara and Geoffrey (P32379)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,388	\$3,388
Antonicello, Giacomo and Jennifer (P29783)	Grant to remove an underground storage tank	\$1,200	\$1,200
Attiya, Jay and Mary Ellen (P31929)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Bentsen, Marguerite (P31423)	Grant to remove an underground storage tank	\$1,500	\$1,500
Blyth, Douglas A. and Eileen (P32368)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,327	\$3,327
Botsko, George M. and Christine F. (P31984)	Partial grant to remove an underground storage tank and	\$2,519	\$2,519

Applicant	Description	Grant Amount	Awarded to Date
	install an above ground storage tank		
Botte, Ralph and Catherine (P31601)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Boveroux, Lisa N. (P31415)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Braden, Beth (P31701)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,269	\$3,269
Brancato, James A. and Maribeth (P31568)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,360	\$3,360
Brennan, Daniel J. and Patricia (P31909)	Grant to remove an underground storage tank	\$1,500	\$1,500
Brooks, John and Marianne (P31389)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Bruno, Frank and Anne Marie (P32229)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,936	\$4,936
Burn, Alvan and Connie (P32265)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Calabrese, Dolores (P31557)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Campanella, Lucy (P31576)	Grant to remove an underground storage tank	\$1,500	\$1,500
Caparotta, Silvester and Erzsebet (P32247)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Carlton, Sebastian Cabot and Melinda Rae (P31436)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,100	\$2,100
Carnegie, Jeffrey A. and Nicole B. (P32329)	Grant to remove an underground storage tank	\$2,100	\$2,100
Cinelli, Susan M. (P31559)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,809	\$2,809
Clark, Addison D. and Mary E. (P32128)	Grant to remove an underground storage tank	\$1,467	\$1,467
Clohessy, Kathleen (P32527)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100

Applicant	Description	Grant Amount	Awarded to Date
Conley, Richard F. (P31835)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,332	\$3,332
Conroy, Patrick and Lauren Durante (P31663)	Grant to remove an underground storage tank	\$1,250	\$1,250
Considine, John M. and Maria T. (P32605)	Grant to remove an underground storage tank	\$1,500	\$1,500
Cottrell-Miller, June (P31605)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Coviello, Louis and Kay Ann (P31820)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
D'Amico, Frank S. and Danielle (P29975)	Grant to remove an underground storage tank	\$1,475	\$1,475
Damron, Stephen and Karen (P31986)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Dannenbaum, Alice A. (P31912)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
David, Travis (P31388)	Grant to remove an underground storage tank	\$1,500	\$1,500
DeJesus-Hann, Darlene and William G. Hann (P32596)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,500	\$4,500
DeLeeuw, Stuart and Catherine (P32226)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,362	\$3,362
Dearing, Ernest and Roseann (P32251)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Delaney, III, John (P32640)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Della Penna, Frances S. (P29932)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Delman, Francis J. and Maryann C. (P32340)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,393	\$3,393
Dezendorf, Bruce and Sharon (P32302)	Grant to remove an underground storage tank	\$1,301	\$1,301
Diane D. Hensle (P29967)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,279	\$2,279

Applicant	Description	Grant Amount	Awarded to Date
Diani, Brian P. (P31506)	Grant to install an above ground storage tank	\$3,900	\$3,900
Digirolamo, Henry and Marisol (P30492)	Grant to remove an underground storage tank	\$1,275	\$1,275
Dillon, Karen (P31844)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Dillon, Robert (P28213)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,461	\$2,461
Enriquez, Jose S. (P28715)	Grant to remove an underground storage tank	\$1,200	\$1,200
Entenberg, Harry (P32217)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,099	\$2,099
Ertle, Theresa (P32346)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Florez, Robin L. and Steven (P32102)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Flynn, Kerren and Mary (P32526)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,920	\$2,920
Formica, Santo and Antoinette (P32151)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Gaeta, Don (P32174)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Gaglio, Joanne (P31877)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Gajano, Frances (P32446)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Garneau, Carol A. (P32312)	Grant to remove an underground storage tank	\$1,500	\$1,500
Garsky, Ronald J. and Joan M. (P32013)	Grant to remove an underground storage tank	\$1,500	\$1,500
Gaynor, Sean (P32598)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Gibboney, David and Sharon	Grant to remove an underground	\$3,333	\$3,333

Applicant	Description	Grant Amount	Awarded to Date
(P31816)	storage tank and install an above ground storage tank		
Ginda, George J. and Marie P. (P32705)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,630	\$4,630
Golembowski, Joseph and Maureen (P32190)	Grant to remove an underground storage tank	\$1,500	\$1,500
Grant, Maria-Elena and Charles C. II (P32487)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,475	\$3,475
Grimler, George D. and Rita E. (P31966)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Groesch, Jennifer (P32308)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Guzy, Mary M. (P31717)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,493	\$3,493
Hamilton, Shannon and Lois (P31446)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Hammett, Harry and Anna (P31606)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Herbert III, Alexander S. and Dana (P32159)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Herdman, Ronald A. and Adrienne A. (P31525)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Hoekstra, Ward W. and Linda Brandt (P32348)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,490	\$4,490
Hummel, Barry and Geraldine (P32296)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,253	\$3,253
Hunter, Sylvia and Adolphus (P32543)	Grant to remove an underground storage tank	\$1,500	\$1,500
Hwang, Hyo I. (P32381)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,400	\$2,400
Jeon, John and Kimberly (P32327)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Johansmeyer, Theodore and Caroline (P31564)	Grant to remove an underground storage tank	\$2,100	\$2,100

Applicant	Description	Grant Amount	Awarded to Date
Kaiser, Khaja and Elaine (P31577)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Kaszyc, John (P32300)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Kelly, Maureen (P32059)	Grant to remove an underground storage tank	\$1,200	\$1,200
Kendall, Deanna M. (P32126)	Grant to remove an underground storage tank	\$1,200	\$1,200
Kluge, Betsy J. (P32350)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Knapp, Robert and Catherine (P32259)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,800	\$3,800
Kobylinski, Artur Z. (P29234)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Kozhaya, Joseph N. and Aimee El Hed (P32214)	Grant to remove an underground storage tank	\$1,500	\$1,500
LeGrand, Ivan and Stephanie Rapp-LeGrand (P32081)	Grant to remove an underground storage tank	\$1,375	\$1,375
Lewis, Jefferey and Monica Bellinger-Lewis (P31792)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Lia, Rosario and Nancy B. (P32687)	Grant to remove an underground storage tank	\$1,500	\$1,500
Linzalone, Nickolas W. (P32268)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,926	\$2,926
Lishman, Helen (P31900)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Litchfield, Leslie and Christine (P31886)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Longo, Jeffrey and Nancy (P32253)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Lovell, Seth and Elizabeth (P31704)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Luque, Ruben and Baaneelee (P30678)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,360	\$3,360

Applicant	Description	Grant Amount	Awarded to Date
Luttrell, Blanche (P32031)	Grant to remove an underground storage tank	\$3,500	\$3,500
Lynes, Ian and Julie (P30184)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,800	\$2,800
Macaluso, Giacomo J. (P32556)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Mackowsky, Irene (P31280)	Grant to remove an underground storage tank and install an above ground storage tank	\$6,800	\$6,800
Martone, Frederick and Joanne (P31818)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
McDermott, Lynn A. and John A. (P32344)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
McGuire, John J. and Dolores (P30497)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,800	\$1,800
McQuade, John P. and Margaret C. (P32222)	Grant to remove an underground storage tank	\$1,500	\$1,500
Miller, Nancy J. (P31194)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,480	\$3,480
Mitchem, Edward and Loretta Mitchem (P31471)	Partial grant to remove an underground storage tank	\$720	\$720
Monroe, Stefanie (P32014)	Grant to remove an underground storage tank	\$1,500	\$1,500
Moreland, Ronald and Helen (P32457)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,150	\$3,150
Morrow, Johanna and Matthew Strobels (P32279)	Grant to remove an underground storage tank	\$1,200	\$1,200
Morse, Shawn (P32582)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,485	\$3,485
Murnane, Margaret (P31583)	Grant to remove an underground storage tank	\$1,290	\$1,290
Myers, Donald B. (P32189)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
NG, Raymond and Liza (P32608)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500

<b>Applicant</b>	<b>Description</b>	<b>Grant Amount</b>	<b>Awarded to Date</b>
Nappi, Anniello J and Lois A. (P32134)	Grant to remove an underground storage tank	\$1,500	\$1,500
Napurano, Anthony and Carol (P31542)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Noto, Theresa (P31477)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
O'Brien, Mary Ann and Dennis (P32197)	Grant to remove an underground storage tank	\$1,180	\$1,180
Olszewski, Christine (P31745)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,460	\$3,460
Papinchak, Joseph and Sharryn (P32228)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,875	\$2,875
Pelar, Michael and Sandra (P32136)	Grant to remove an underground storage tank	\$2,000	\$2,000
Peralta, Oscar and Mariela (P31469)	Grant to remove an underground storage tank	\$1,800	\$1,800
Persaud, Rabindra N. and Padmini D. (P32299)	Grant to remove an underground storage tank	\$1,500	\$1,500
Peshkova, Tatyana (P31898)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$1,392	\$1,392
Pisano, Anthony C. and Karen K. (P31049)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,900	\$2,900
Portelli, Joseph and Diana (P31017)	Grant to remove an underground storage tank	\$1,500	\$1,500
Prokop, Margaret D. (P31377)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Pukash, Robert J. and Anita (P32427)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,250	\$3,250
Quelly, Julia and Peter W. (P32413)	Grant to remove an underground storage tank	\$1,557	\$1,557
Rakus, Stefan E. and Jill A. (P32425)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,226	\$3,226
Reid, Toby J. and Katharine C. (P32220)	Grant to remove an underground storage tank	\$1,200	\$1,200
Ressler, Pamela and William (P32590)	Grant to remove an underground storage tank and install an above	\$3,500	\$3,500

Applicant	Description	Grant Amount	Awarded to Date
	ground storage tank		
Ricciardelli, Rhonda A. (P32288)	Grant to remove an underground storage tank	\$1,500	\$1,500
Rich, Joyce A. (P31555)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,500	\$4,500
Rockwell, Robert M. and Paula (P31786)	Grant to remove an underground storage tank	\$2,300	\$2,300
Rodgers, Dennis C. and Penelope S. (P32414)	Grant to remove an underground storage tank	\$1,200	\$1,200
Ross, John R. and Joan P. (P30356)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,990	\$3,990
Ruane, William and Sandra (P32691)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Ruggieri, Robert and Mary (P32568)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Salazar, Nelson B. and Marcia (P32184)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Santacross, Marco (P31480)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,496	\$2,496
Schroepfer, Joseph and Allison (P30440)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Schuster-Calderone, Lori (P32127)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,480	\$3,480
Schwarz, Brian and Carmela Taglialavore (P30258)	Partial grant to remove an underground storage tank and install an above ground storage tank	\$2,100	\$2,100
Scott, James P. (P31100)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,694	\$2,694
Sereda, Marilyn M. (P31757)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Seto, Marilyn (P30640)	Grant to remove an underground storage tank	\$1,200	\$1,200
Shah, Utpal R. and Sushma U. (P31899)	Grant to remove an underground storage tank	\$1,500	\$1,500
Shimp, Williams S. and	Grant to remove an underground	\$3,445	\$3,445

Applicant	Description	Grant Amount	Awarded to Date
Christine M. (P32298)	storage tank and install an above ground storage tank		
Simms, Lisa and Hadley, Deborah (P31791)	Grant to remove an underground storage tank	\$1,300	\$1,300
Smith, Barbara E. (P31560)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,476	\$2,476
Spahr, Richard A. and Patricia A. (P31295)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,920	\$2,920
Spano, Carolyn S. and James J. (P31405)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Speranza, Amy (P32261)	Grant to remove an underground storage tank	\$2,100	\$2,100
Srock, Leroy and Wilma (P30877)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Stewart, John R and Maria G. (P32149)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,000	\$3,000
Stivali, Dorothy (P31947)	Grant to remove an underground storage tank	\$2,100	\$2,100
Swaney, John A. and Patricia A. (P31823)	Grant to remove an underground storage tank	\$1,450	\$1,450
Tamayo, Lela and Fernando (P32333)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,900	\$3,900
Taylor, Douglas and Geri Taylor (P31483)	Grant to remove an underground storage tank	\$1,500	\$1,500
Taylor, Joseph W. (P31945)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,300	\$3,300
Travers, Brian and Susan (P32203)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,960	\$3,960
Tupaczewski, Jerzy and Janina (P32657)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,500	\$3,500
Turpin Jr., Madora J. and Joseph C. (P32182)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,700	\$4,700
Verney, John and Sharon (P32530)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,200	\$3,200
Vero, Albert J. and	Grant to remove an underground	\$1,500	\$1,500

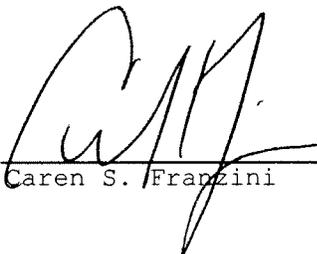
<b>Applicant</b>	<b>Description</b>	<b>Grant Amount</b>	<b>Awarded to Date</b>
Lauralynn A. (P32195)	storage tank		
Vincent, Walter T. and Grace L. (P31732)	Grant to remove an underground storage tank and install an above ground storage tank	\$2,600	\$2,600
Vovchansky, Paul and Andrea (P32512)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Walter, John and Cathleen (P31787)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,375	\$3,375
Waranis, Michael and Cynthia Holtzman (P32641)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,178	\$3,178
Waszkiewicz, Mark and Patricia (P32579)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,375	\$3,375
Weincyck, Gary M. (P32172)	Grant to remove an underground storage tank	\$1,320	\$1,320
Will, Marie E. (P31836)	Grant to remove an underground storage tank	\$1,450	\$1,450
Wilson, Norma (P31461)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,168	\$3,168
Yin, Yee-Lin and Mei-Fong (P32079)	Grant to remove an underground storage tank	\$1,500	\$1,500
Ziemba, Lori Ann and William Fitzsimmons (P31797)	Grant to remove an underground storage tank and install an above ground storage tank	\$4,100	\$4,100
Zotolla, Jo Dell (P32140)	Grant to remove an underground storage tank and install an above ground storage tank	\$3,265	\$3,265

**169 Grants**

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

**\$477,064**

\*This amount includes grants approved previously by the Board and this award does not exceed the supplemental aggregate limit.

  
Caren S. Franzini

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND  
PROGRAM**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Caren S. Franzini  
Chief Executive Officer  
**DATE:** September 16, 2010  
**SUBJECT:** Hazardous Discharge Site Remediation Fund Program

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

**Municipal Grants:**

Borough of National Park (Hawthorne Sanitary Landfill) ..... **\$104,946**  
Township of Woodbridge (Fifth District Park) . ..... **\$287,087**

**Private Grants:**

Teaneck Community Charter School ..... **\$102,116**

**Total HDSRF funding for September 2010..... \$494,149**

Prepared by: Lisa Petrizzi

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

**APPLICANT:** Borough of National Park (Hawthorne Sanitary Landfill) P32343  
**PROJECT USER(S):** Same as applicant \* - indicates relation to applicant  
**PROJECT LOCATION:** 7 South Grove Ave. National Park Borough (T) Gloucester  
**GOVERNOR'S INITIATIVES:** ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

The Borough of National Park (Hawthorne Sanitary Landfill) received grant funding to perform a Preliminary Assessment (PA) and Site Investigation (SI) in the amount \$266,537 at the project site on September 2007 under P17808. The project site, identified as Block 111, Lots 2&3 is a former landfill which has potential environmental areas of concern (AOC's). The Borough of National Park owns the project site and has satisfied Proof of Site Control. It is the Borough's intent, upon completion of the environmental investigation activities, to redevelop the project site for warehousing and retail and light industrial development.

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

**APPROVAL REQUEST:**

The Borough of National Park is now requesting supplemental grant funding to perform additional (RI) activities required by NJDEP in the amount of \$104,946 at the project site, for total funding to date of \$371,483.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT**\$104,946

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

**PROJECT COSTS:**

Remedial investigation	\$104,946
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<u><u>\$105,446</u></u>

**APPROVAL OFFICER:** K. Junghans

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

**APPLICANT:** Township of Woodbridge (Fifth District Park)

P32209

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

\* - indicates relation to applicant

**PROJECT LOCATION:** Avenel Street

Woodbridge Township (T/UA)

Middlesex

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

**APPLICANT BACKGROUND:**

The Township of Woodbridge received grant funding to perform a Remedial Investigation (RI) in the amount \$32,540 at the Fifth District Park project site on July 2008 under P21317. The project site, identified as Blocks 859.B, 859.C and 859.D, Lots 1, 16-22, 1-7, 16-22 and 1-8 is a former park which has potential environmental areas of concern (AOC's). The Township of Woodbridge 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 the continued use as a park.

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

**APPROVAL REQUEST:**

The Township of Woodbridge is now requesting supplemental grant funding to perform additional (RA) activities required by NJDEP in the amount of \$287,087 at the Fifth District Park project site, for total funding to date of \$319,627.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT**\$287,087

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

**PROJECT COSTS:**

Remedial Action	\$287,087
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$287,587</b>

**APPROVAL OFFICER:** K. Junghans

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

**APPLICANT:** Teaneck Community Charter School

P32621

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 1650 Palisade Avenue

Teaneck Township (N)

Bergen

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

**APPLICANT BACKGROUND:**

Teaneck Community Charter School ("Teaneck") received a grant in April 2008 in the amount of \$99,974 under P21231 to perform a Preliminary Assessment (PA), Site Investigation (SI) and Remedial Investigation (RI) at the project site. Teaneck is a non-profit 501(c)(3) entity that has proposed the development of the Teaneck Community Charter School in Teaneck, Bergen County. Teaneck intends to acquire the project site and has satisfied Proof of Site Control. It is the applicant's intent, upon completion of the environmental investigation activities, to redevelop the project site as a charter school.

NJDEP has approved this request for RI grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 6, Series A.

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

**APPROVAL REQUEST:**

Teaneck is requesting grant funding to perform RI in the amount of \$102,116 at the Proposed Teaneck Community Charter School project site, for a total funding to date of \$202,090.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT**\$102,116

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

**PROJECT COSTS:**

Remedial investigation	\$102,116
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$102,616</b>

**APPROVAL OFFICER:** L. Petrizzi



**TO:** Members of the Authority

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

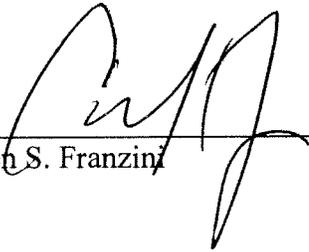
**DATE:** September 16, 2010

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

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

Below is a summary of the Delegated Authority approval processed by the Division of Program Services for the month of August 2010.

Applicant	Description	Grant	Awarded to Date
Roessler, Thomas and Richard G. P30512	25% Matching Grant to perform remedial action	\$15,989	\$15,989
<b>1 Grant</b>	<b>Total Grant Funding for August 2010</b>	<b>\$15,989</b>	

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

Prepared by: Lisa Petrizzi, Sr. Finance Officer

# **INCENTIVE PROGRAMS**

**BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

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

**APPLICANT:** Amneal Pharmaceuticals LLC and affiliates

P32941

**PROJECT LOCATION:** One New England Ave

Piscataway (T)

Middlesex County

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

Amneal Pharmaceuticals is a generic pharmaceutical manufacturer with its corporate headquarters in Hauppauge, New York. The company was founded in 2002 and has offices and manufacturing facilities in New York, New Jersey, and Kentucky. The company distributes its products through wholesalers as well as directly to individual and chain pharmacies throughout the United States. Generic drugs are marketed under the drug's chemical name and meet the same U.S. Food and Drug Administration (FDA) quality and effectiveness standards as the original brand name drug. Generic drugs, including those manufactured and sold by Amneal, offer consumers significant health care savings over branded drugs. Amneal Pharmaceuticals is economically viable.

**MATERIAL FACTOR:**

In order to service its continued growth and expand into specialty pharmaceuticals, Amneal is considering opening a new facility in the northeast region. The proposed facility would be a pharmaceutical research and development and manufacturing site that would host 150 new employees within the next two years. Under consideration are locations in Piscataway, New Jersey and Yaphank, New York. Management has indicated that a favorable decision by the Authority to award a BEIP grant is a material factor in the company's decision to expand in New Jersey.

**APPROVAL REQUEST:**

**PERCENTAGE:** 80%

**TERM:** 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Amneal Pharmaceuticals LLC 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: \$ 4,638,000**

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

**NJ EMPLOYMENT AT APPLICATION: 147**

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

**ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM: \$30,920**

**ANTICIPATED AVERAGE WAGES: \$100,000**

**ESTIMATED PROJECT COSTS: \$25,000,000**

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$5,797,500**

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$4,058,250**

**PROJECT IS: (X) Expansion ( ) Relocation \_\_\_\_\_**

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

**PROJECT OWNERSHIP HEADQUARTERED IN: New York**

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

**DEVELOPMENT OFFICER: J. Colon**

**APPROVAL OFFICER: K. McCullough**

### FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Piscataway</b>	N/A
2. Job Creation	<b>150</b>	<b>3</b>
	Targeted : _____ Non-Targeted : <u>  X  </u>	
3. Job at Risk:	<b>0</b>	<b>0</b>
4. Industry:	<b>Pharmaceuticals</b>	<b>2</b>
	Designated : <u>  X  </u> Non-Designated : _____	
5. Leverage:	<b>3 to 1 and up</b>	<b>2</b>
6. Capital Investment:	<b>\$25,000,000</b>	<b>3</b>
7. Average Wage:	<b>\$ 100,000</b>	<b>4</b>
<b>TOTAL:</b>		<b>14</b>

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

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
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%	_____
Designated industry business, creating jobs within an Innovation Zone	30%	<u>30%</u>
<b>Total Bonus Points:</b>		<b>50 %</b>

**Total Score :**

<b>Total Score per formula:</b>	<b>14 = 45 %</b>
<b>Construction/Renovation :</b>	<b>5 %</b>
<b>Bonus Increases :</b>	<b>50 %</b>
<b>Total Score (not to exceed 80 %):</b>	<b>80 %</b>

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

**APPLICANT:** Flaum Appetizing Corp.

P32737

**PROJECT LOCATION:** To be determined

Locations Unknown (N)

Unknown County

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

Flaum Appetizing Corp. is a manufacturer and distributor of various appetizers that it produces for sale to caterers, restaurants and food services industries such as schools and institution as wells as retail stores and food distributors. The family owned business started in the early 1900's as two brothers with a penchant for fine foods took their family recipes to the streets of Brooklyn New York. Flaum Appetizing produces homemade, crunchy barrel cured pickles, fresh salads, hummus and vegetable spreads, all prepared with fresh ingredients. Its products are currently in major supermarkets such as ShopRite, Kings, Publix, Food Emporium and Fairway grocery stores. Flaum Appetizing is still based in Brooklyn NY with 80 employees. The Company is economically viable.

**MATERIAL FACTOR:**

Flaum Appetizing Corp. requests a BEIP grant to offset the costs of relocating from Brooklyn NY. Due to its expansion into the major chains and the demand for its products, Flaum Appetizing is currently looking to acquire a modern facility and is considering NJ or another facility in Brooklyn, NY. If the applicant finalizes a location in NJ, depending on smart growth criteria, the BEIP score may increase to as high as 80% with an estimated value of \$478,400. The Applicant has indicated that a BEIP grant is a material factor to relocating to NJ.

**APPROVAL REQUEST:**

**PERCENTAGE:** 35%

**TERM:** 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Flaum Appetizing Corp. 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:** \$ 209,300

(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 45 Year 2 35 Base Years Total = 80

**ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM:** \$2,616

**ANTICIPATED AVERAGE WAGES:** \$40,000

**ESTIMATED PROJECT COSTS:** \$3,530,000

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10** \$598,000

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15** \$687,700

**PROJECT IS:** (X) Expansion (X) Relocation Brooklyn, NY

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

**PROJECT OWNERSHIP HEADQUARTERED IN:** New York

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

**DEVELOPMENT OFFICER:** M. Abraham

**APPROVAL OFFICER:** T. Wells

## FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Locations Unknown</b>	N/A
2. Job Creation	<b>80</b>	2
	Targeted : _____ Non-Targeted : <u>  X  </u>	
3. Job at Risk:	<b>0</b>	0
4. Industry:	<b>food products</b>	0
	Designated : _____ Non-Designated : <u>  X  </u>	
5. Leverage:	<b>3 to 1 and up</b>	2
6. Capital Investment:	<b>\$3,530,000</b>	2
7. Average Wage:	<b>\$ 40,000</b>	2
<b>TOTAL:</b>		<b>8</b>

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

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

**Total Bonus Points:** **0 %**

**Total Score :**

<b>Total Score per formula:</b>	<b>8 = 30 %</b>
<b>Construction/Renovation :</b>	<b>5 %</b>
<b>Bonus Increases :</b>	<b>0 %</b>
<b>Total Score (not to exceed 80 %):</b>	<b>35 %</b>

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

**APPLICANT:** FlightSafety International Inc.

P33007

**PROJECT LOCATION:** 699 Rt 46E (SE of Rt 46 & Rt 17) Teterboro Borough (N) Bergen County

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

FlightSafety International Inc. is a provider of professional aviation training, simulation equipment and software to commercial, government and military organizations. They provide more than a million hours of training each year to pilots, maintenance technicians, and other aviation crew (including flight attendants and flight dispatchers). They train pilots for all aircraft and industry types - fixed-wing, rotorcraft and tilt-rotor; commercial, corporate, private, or military. They operate the world's largest fleet of advanced full flight simulators at their extensive network of learning centers located in the United States, Canada, France, Japan, South Africa and the United Kingdom. Many are conveniently situated near major airports or at military bases and/or near aircraft manufacturers and aircraft service and maintenance centers. With operations at 29 US military bases, FlightSafety provides military crew training and support for simulators. They are a factory authorized training provider for business aircraft manufactured by Bell, Cessna, Dassault, Embraer, Gulfstream, HondaJet, Hawker Beechcraft, Piaggio, and Sikorsky. Worldwide, FlightSafety has a total of 40 learning centers, 32 of which are in the United States (in 18 states). There are 29 additional centers in US military bases. FlightSafety International Inc. also designs and manufactures full motion flight simulators, visual displays, and other training equipment for use in its training business and for sale to others. Manufacturing facilities are located in Oklahoma, Missouri and Texas. The applicant has been a wholly owned subsidiary of Berkshire Hathaway Inc. since 1996. FlightSafety is economically viable.

Since 1975, FlightSafety International Inc. has operated a flight safety training academy at the Teterboro Airport. They are currently located in an approximately 41,000-sf facility. With 5 simulators, their Teterboro training school specializes exclusively on Dassault Falcon jets, a French-made series of military, regional and business jets. They are contemplating adding 3 additional simulators plus other new equipment in an expanded, new facility at the Teterboro Airport; an approximately 85,000-sf new facility to be built in an approximately 4.5-acre parcel. In addition, FlightSafety's corporate headquarters is currently located in Flushing, New York (LaGuardia Airport Marine Terminal) along with their LaGuardia training center, specializing in Beech and Shorts aircrafts. FlightSafety International Inc. is also contemplating moving its corporate headquarters, along with its LaGuardia training center, from the LaGuardia Airport vicinity to the Teterboro Airport vicinity.

With this expansion the following jobs are to be relocated to or created in New Jersey: 40 newly created jobs from the relocation and expansion of the existing school/training center in Moonachie, NJ to Teterboro, NJ; 25 existing LaGuardia, NY school/training center jobs to be relocated to Teterboro, NJ; and 80 existing, pure corporate headquarters jobs will be relocated from LaGuardia, NY to Teterboro, NJ. According to the Applicant, their alternative is to relocate to Florida and also possibly relocate the existing training school out of New Jersey.

**MATERIAL FACTOR:**

The Applicant is seeking a BEIP grant to support bringing in and creating 145 positions in New Jersey. The company has represented that a favorable decision by the Authority to award the BEIP grant is an inducement in the Applicant's decision to go forward with the project (which is to relocate to, and to remain and expand within New Jersey instead of relocating to and expanding out of the State, i.e., Florida). The Authority staff recommends the award of the proposed BEIP grant.

**APPROVAL REQUEST:**

**PERCENTAGE:** 55%  
**TERM:** 10 years

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

**TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:** \$ 2,037,613  
(not to exceed an average of \$50,000 per new employee over the term of the grant)

**NJ EMPLOYMENT AT APPLICATION:** 84

**ELIGIBLE BEIP JOBS:** Year 1 70 Year 2 75 Base Years Total = 145

**ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM:** \$14,052

**ANTICIPATED AVERAGE WAGES:** \$80,000

**ESTIMATED PROJECT COSTS:** \$54,750,000

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10** \$3,704,750

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15** \$3,519,513

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

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

**PROJECT OWNERSHIP HEADQUARTERED IN:** Nebraska

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

**DEVELOPMENT OFFICER:** J. Colon

**APPROVAL OFFICER:** D. Sucsuz

## FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: <b>Teterboro Borough</b>	N/A
2. Job Creation <b>145</b> Targeted : _____ Non-Targeted : <u> X </u>	3
3. Job at Risk: <b>84</b>	1
4. Industry: <b>educational services</b> Designated : _____ Non-Designated : <u> X </u>	0
5. Leverage: <b>3 to 1 and up</b>	2
6. Capital Investment: <b>\$54,750,000</b>	3
7. Average Wage: <b>\$ 80,000</b>	4
<b>TOTAL:</b>	<b>13</b>

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

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

**Total Bonus Points:**

**10 %**

**Total Score :**

<b>Total Score per formula:</b>	<b>13 = 40 %</b>
<b>Construction/Renovation :</b>	<b>5 %</b>
<b>Bonus Increases :</b>	<b>10 %</b>
<b>Total Score (not to exceed 80 %):</b>	<b>55 %</b>

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

**APPLICANT:** Mednet Healthcare Technologies, Inc. and affiliate

P32855

**PROJECT LOCATION:** To be determined

Locations Unknown (N)

Unknown County

**GOVERNOR'S INITIATIVES:**

Urban  Edison  Core  Clean Energy

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

Mednet Healthcare Technologies, Inc., established in 1989, provides a remote cardiac monitoring solution that features both patient monitoring services and medical device manufacturing. Mednet provides services nationwide to thousands of physicians from hundreds of hospitals, and offices. An affiliate, Mednet's Universal Medical, Inc. designs and manufactures high-quality technologically advanced medical devices. Heartcare Corporation of America, Inc., Mednet's heart care monitoring center, provides 24 hour cardiac monitoring services and support to aid physicians in the diagnosis of arrhythmia. Mednet's service portfolio, Healthcare Services International, Inc. includes Mobile Cardiac Telemetry, Cardiac Event and Holter monitoring. The Company and its affiliates are located in Ewing, Mercer County, NJ with 237 full and part time employees. The Company is economically viable.

**MATERIAL FACTOR:**

Mednet Healthcare Technologies, Inc. and affiliates request BEIP grant to offset the costs of relocating its operations. The Company has outgrown its current space and is considering a new location in either NJ or PA. The company currently occupies 19,000 sq. ft. and needs to expand by another 5,000 to 8,000 sq. ft. The company has simultaneously applied for a BRRAG to encourage retention of 66 full-time New Jersey employees. If the applicant finalizes a location in NJ, depending on smart growth criteria, the BEIP score may increase to as high as 80% with an estimated value of \$284,918. The Applicant has indicated that a BEIP grant is a material factor to expanding in NJ.

**APPROVAL REQUEST:**

**PERCENTAGE:** 30%

**TERM:** 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Mednet Healthcare Technologies, Inc. and affiliate 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:** \$ 106,844  
 (not to exceed an average of \$50,000 per new employee over the term of the grant)

**NJ EMPLOYMENT AT APPLICATION:** 118

**ELIGIBLE BEIP JOBS:** Year 1 40 Year 2 20 Base Years Total = 60

**ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM:** \$1,780

**ANTICIPATED AVERAGE WAGES:** \$34,679

**ESTIMATED PROJECT COSTS:** \$710,000

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10** \$356,148

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15** \$427,377

**PROJECT IS:** (X) Expansion (X) Relocation Ewing, NJ

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

**PROJECT OWNERSHIP HEADQUARTERED IN:** New Jersey

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

**DEVELOPMENT OFFICER:** P. Ceppi

**APPROVAL OFFICER:** T. Wells

### FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Locations Unknown</b>	N/A
2. Job Creation	<b>60</b>	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	<b>118</b>	1
4. Industry:	<b>health care</b>	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	<b>3 to 1 and up</b>	2
6. Capital Investment:	<b>\$710,000</b>	1
7. Average Wage:	<b>\$ 34,679</b>	2
<b>TOTAL:</b>		<b>7</b>

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

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

**Total Bonus Points:** **0 %**

**Total Score :**

<b>Total Score per formula:</b>	<b>7 = 25 %</b>
<b>Construction/Renovation :</b>	<b>5 %</b>
<b>Bonus Increases :</b>	<b>0 %</b>
<b>Total Score (not to exceed 80 %):</b>	<b>30 %</b>

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

**APPLICANT:** Mednet Healthcare Technologies, Inc. and affiliates

**COMPANY ADDRESS:** 275 Phillips Blvd. Ewing Township Mercer County

**PROJECT LOCATION:** To be determined

**GOVERNOR’S INITIATIVES:**

NJ Urban Fund                       Edison Innovation Fund                       Core

**APPLICANT BACKGROUND:**

Mednet Healthcare Technologies, Inc., established in 1989, provides a remote cardiac monitoring solution that features both patient monitoring services and medical device manufacturing. Mednet provides services nationwide to thousands of physicians from hundreds of hospitals, and offices. An affiliate, Mednet’s Universal Medical, Inc. designs and manufactures high-quality technologically advanced medical devices. Heartcare Corporation of America, Inc., Mednet's heart care monitoring center, provides 24 hour cardiac monitoring services and support to aid physicians in the diagnosis of arrhythmia. Mednet's service portfolio, Healthcare Services International, Inc. includes Mobile Cardiac Telemetry, Cardiac Event and Holter monitoring. The Company and its affiliates are located in Ewing, Mercer County NJ with 237 full and part-time employees.

**MATERIAL FACTOR:**

Mednet Healthcare Technologies, Inc. and affiliates request BRRAG grant to encourage the retention of 66 full-time eligible NJ employees. The Company has outgrown its current space of approx. 19,000 sq. ft., needs to expand by another 5,000 to 8,000 sq. ft. and is considering a new location in either NJ or PA. The Company has simultaneously applied for a BEIP grant for the creation of 60 new employees in New Jersey. Management has indicated that a favorable decision by the Authority to award a BRRAG is a material factor in its decision to expand in New Jersey.

**APPROVAL REQUEST:**

**TERM:** 5 years

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

<b>TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:</b>	\$ 72,600
<b>GRANT AMOUNT PER RETAINED EMPLOYEE (see attached scoresheet):</b>	\$ 1,100
<b>NEW JERSEY EMPLOYMENT AT APPLICATION:</b>	118
<b>ELIGIBLE BRRAG JOBS:</b>	66
<b>ANTICIPATED AVERAGE WAGES:</b>	\$ 34,679
<b>ESTIMATED PROJECT COST:</b>	\$ 710,000
<b>ESTIMATED TOTAL GROSS PAYROLL:</b>	\$ 2,288,814
<b>ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 1YR:</b>	\$ 39,176
<b>ESTIMATED TOTAL GROSS STATE WITHHOLDINGS 5YRS:</b>	\$ 195,881

**PROJECT IS:**  Expansion                       Relocation  
 Construction                       No

**APPROVAL OFFICER:** T. Wells

**DEVELOPMENT OFFICER:** P. Ceppi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**Business Retention and Relocation Assistance Grant of Tax Credits**  
**SCORESHEET – Project Evaluation Factors (NJAC 12A:2-1.8)**

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

Company: Mednet Healthcare Technologies, Inc.

Date Scored: September 16, 2010

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

Range	Eligible Jobs Retained	Score
5 = 410 – 499		
4 = 320 – 409		
3 = 230 – 319		
2 = 140 – 229		
1 = 50 – 139	66	1

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

Range	Avg. Salary	Score
4 = \$75,001 +		
3 = \$50,001 - \$75,000		
2 = \$30,001 - \$50,000	\$34,679	2
1 = \$19,001 - \$30,000		
0 = up to \$19,000		

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

Range	Capital Investment	Score
5 = \$3,500,000 to \$19,000,000+		
4 = \$2,900,000 to \$3,499,000		
3 = \$2,200,000 to \$2,899,000		
2 = \$1,500,000 to 2,199,000		
1 = \$700,000 to \$1,499,000	\$710,000	1
0 = \$0 to \$699,000		

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

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

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**Business Retention and Relocation Assistance Grant of Tax Credits**  
**SCORESHEET – Project Evaluation Factors (NJAC 12A:2-1.8)**

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

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

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

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

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

		Score
2 = yes	Yes	2
0 = no		

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

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

Range of Years	Year Started in NJ	Score
3 = 20 plus years of operation in the state	1989	3
2 = 15-19 years		
1 = 10-14 years		

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
Business Retention and Relocation Assistance Grant of Tax Credits  
SCORESHEET – Project Evaluation Factors (NJAC 12A:2-1.8)**

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

<b>Range</b>	<b>Number of Employees in NJ</b>	<b>Score</b>
3 = 350 or greater		
2 = 200-349		
1 = 50-199	118	1

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

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

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

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

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

**APPLICANT:** Schar USA, Inc.

P32906

**PROJECT LOCATION:** Heron Drive

Logan Township (N)

Gloucester County

**GOVERNOR'S INITIATIVES:**

Urban  Edison  Core  Clean Energy

**APPLICANT BACKGROUND/ECONOMIC VIABILITY:**

Re-evolved into a gluten-free food manufacturer and researcher in 1982, Dr. Schär GmbH (a/k/a Dr. Schär S.r.l., Schär, Schaer, Schar, or Dr. Schar) engages in the research, development and manufacture of gluten-free foods in Europe. The true origins of this company date back to the 1920s. Dr. A. Schär got his start as a local medical doctor in Innsbruck, Tyrol State, Austria. With a partner in 1922, Dr. A. Schär formed a company to make infant food products in the German-speaking South Tyrol region of far northern Italy. Today's Dr. Schär GmbH, with advanced research and development facilities, is the leading European manufacturer of gluten-free products. They provide solutions for individuals with celiac disease and those who follow a gluten-free diet. The company has gluten-free product manufacturing sites in Burgstall, Italy; and Apolda and Dreihausen, Germany. The Applicant is economically viable.

The first Dr. Schar gluten-free products were launched in 1982. By 1990, Dr. Schar had become the leading gluten-free manufacturer in Italy, with subsidiaries in Austria, Germany, Great Britain, Belgium, Switzerland, Spain and France. In 2003, Dr. Schar set up a research laboratory in the Trieste Area Science Park in Trieste, Italy. In Italy, Dr. Schar branded products are covered by insurance and available only in pharmacies. Their other product lines, e.g., 'DS' frozen foods, from ravioli to tortellini, lasagna, croissants, and pastry crusts can be found on supermarket shelves.

In November 2008, Dr. Schar was the first extensive R&D and commercialization testing client of the new Rutgers Food Innovation Center, the Cumberland County (Bridgeton) based business incubation and economic development accelerator program of the Rutgers New Jersey Agricultural Experiment Station.

With 2 employees in 2007, a US subsidiary, Schar USA, Inc., was established. Now, in 2010, they have 7 employees. To capture a bigger share of the growing gluten-free food market, Dr. Schar is to launch a US manufacturing facility for the production of frozen and un-frozen gluten-free pizza, ciabatta and baguette products. The site selection is underway, and according to the Applicant, New Jersey is competing with Pennsylvania to house this planned production facility.

**MATERIAL FACTOR:**

The Applicant is seeking a BEIP grant to support creating 51 positions in New Jersey. 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 (which is to locate and expand within New Jersey instead of locating and expanding out of the State, i.e., Pennsylvania). The Authority staff recommends the award of the proposed BEIP grant.

**APPROVAL REQUEST:**

**PERCENTAGE:** 50%

**TERM:** 10 years

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

**TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT:** \$ 190,613  
(not to exceed an average of \$50,000 per new employee over the term of the grant)

**NJ EMPLOYMENT AT APPLICATION:** 7

**ELIGIBLE BEIP JOBS:** Year 1 25 Year 2 26 Base Years Total = 51

**ESTIMATED COST PER ELIGIBLE BEIP JOB OVER TERM:** \$3,737

**ANTICIPATED AVERAGE WAGES:** \$40,000

**ESTIMATED PROJECT COSTS:** \$14,550,504

**ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10** \$381,225

**ESTIMATED NET NEW STATE INCOME TAX - DURING 15** \$381,225

**PROJECT IS:** (X) Expansion ( ) Relocation \_\_\_\_\_

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

**PROJECT OWNERSHIP HEADQUARTERED IN:** \_\_\_\_\_

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

**DEVELOPMENT OFFICER:** D. Bennis

**APPROVAL OFFICER:** D. Sucsuz

### FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	<b>Logan Township</b>	N/A
2. Job Creation	<b>51</b>	<b>1</b>
	Targeted : _____ Non-Targeted : <u>  X  </u>	
3. Job at Risk:	<b>0</b>	<b>0</b>
4. Industry:	<b>food products</b>	<b>0</b>
	Designated : _____ Non-Designated : <u>  X  </u>	
5. Leverage:	<b>3 to 1 and up</b>	<b>2</b>
6. Capital Investment:	<b>\$14,550,504</b>	<b>2</b>
7. Average Wage:	<b>\$ 40,000</b>	<b>2</b>
<b>TOTAL:</b>		<b>7</b>

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

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

**Total Bonus Points:**

**20 %**

**Total Score :**

**Total Score per formula:** 7 = 25 %

**Construction/Renovation :** 5 %

**Bonus Increases :** 20 %

**Total Score (not to exceed 80 %):** 50 %

**BUSINESS RETENTION AND RELOCATION ASSISTANCE  
GRANT**



## MEMORANDUM

To: Members of the Board

From: Caren S. Franzini  
Chief Executive Officer

Date: September 16, 2010

Subject: Transfer of Business Retention and Relocation Assistance Grant Tax Credit from Direct Cabinet Sales to Susquehanna Bank

**Request:**

The Members are asked to grant approval of the Business Retention and Relocation Assistance Grant Tax Credit Certificate Transfer Program ("Transfer Program") application of Direct Cabinet Sales to transfer unused tax credits to Susquehanna Bank.

**Background:**

In July 2009, the Authority approved a BRRAG incentive that resulted in Direct Cabinet Sales retaining and relocating 52 eligible full-time jobs from offices at 104 East Elizabeth Avenue in Linden to offices at 180 Herrod Boulevard in Dayton. Although Direct Cabinet Sales received tax credits valued at \$62,400 from the New Jersey Division of Taxation, the company is unable to use these credits. As a result, Direct Cabinet Sales is seeking a combined preliminary and final approval to sell these credits as permitted under the Transfer Program to Susquehanna Bank.

Direct Cabinet Sales and Susquehanna have successfully completed all of the required sections and forms within the Transfer Program application package, a copy of which has been shared with the New Jersey Division of Taxation. The application package indicates that Direct Cabinet Sales has agreed to sell the unused tax credits to Susquehanna at ninety three cents on the dollar for a total of \$58,032.

**Recommendation:**

Based on the above, staff recommends the Members grant approval of the Transfer Program application of Direct Cabinet Sales to sell unused BRRAG tax credits to Susquehanna Bank.

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**BRRAG Tax Credit Certificate Transfer Program**  
**Applicant/Project Summary, 09/16/2010**

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**Applicant:**

- Direct Cabinet Sales, 180 Herrod Boulevard, Dayton, New Jersey 08810
- Direct Cabinet Sales, which was formed in 1990, designs, distributes, and installs kitchen cabinetry and related products for the residential, commercial, and new construction markets. The Dayton facility is home to the company's headquarters as well as its manufacturing operations, warehouse, and distribution center.

**Applying for:**

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

**Background:**

- In July 2009, the Authority approved an application from Direct Cabinet Sales for a grant of tax credits under the Business Retention and Relocation Assistance Grant (BRRAG) program.
- With the help of the BRRAG award, Direct Cabinet Sales relocated from 104 East Elizabeth Avenue in Linden to 180 Herrod Boulevard in Dayton.
- The relocation prompted \$294,974 in capital spending at the company's new location in Dayton.
- After retaining and relocating 52 eligible employees as a result of the project, the New Jersey Division of Taxation issued BRRAG tax credits to Direct Cabinet Sales in the amount of \$62,400.

**Qualification** – This application satisfies the following eligibility criteria:

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

**Benefit:**

- Direct Cabinet Sales' BRRAG tax credits are valued at \$62,400 and the company has agreed to sell them to Susquehanna Bank for ninety three cents on the dollar for a total value of \$58,032.



## MEMORANDUM

To: Members of the Board

From: Caren S. Franzini  
Chief Executive Officer

Date: September 16, 2010

Subject: Transfer of Business Retention and Relocation Assistance Grant Tax Credit from Wyndham Worldwide Operations to Susquehanna Bank, Susquehanna Trust & Investment Company, and Susquehanna Commercial Finance

**Request:**

The Members are asked to grant approval of the Business Retention and Relocation Assistance Grant Tax Credit Certificate Transfer Program (“Transfer Program”) application of Wyndham Worldwide Operations to transfer unused tax credits to Susquehanna Bank, Susquehanna Trust & Investment Company, and Susquehanna Commercial Finance.

**Background:**

In July 2006, the Commerce Commission approved a BRRAG incentive for Wyndham Worldwide Operations to retain and relocate 1,245 full-time jobs to offices at 22 Sylvan Way in Parsippany. In June 2009, Wyndham completed Phase I of the project and the company was issued tax credits for the 568 eligible employees associated with the first phase of the project. Although Wyndham received tax credits valued at \$852,000 from the New Jersey Division of Taxation, the company has certified that it is unable to use these credits. As a result, Wyndham is seeking a combined preliminary and final approval to sell a portion of these credits as permitted under the Transfer Program.

Wyndham and the buying entities have successfully completed all of the required sections and forms within the Transfer Program application package, a copy of which has been shared with the New Jersey Division of Taxation. The application package indicates that Wyndham has agreed to sell a portion of the unused tax credits to Susquehanna Bank for \$8,620; Susquehanna Trust & Investment Company for \$15,789; and Susquehanna Commercial Finance for \$18,463. Each transaction represents a sale price of ninety three cents on the dollar.

**Recommendation:**

Based on the above, staff recommends the Members grant approval of the Transfer Program application of Wyndham Worldwide Operations to sell unused BRRAG tax credits to Susquehanna Bank, Susquehanna Trust & Investment Company, and Susquehanna Commercial Finance.

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**  
**BRRAG Tax Credit Certificate Transfer Program**  
**Applicant/Project Summary, 09/16/2010**

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**Applicant:**

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

**Applying for:**

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

**Background:**

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

**Qualification** – This application satisfies the following eligibility criteria:

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

**Benefit:**

- The portion of Wyndham's BRRAG tax credits that the company is transferring is valued at \$46,100. The company has agreed to sell a portion of the credits to Susquehanna Bank for \$8,620; Susquehanna Trust & Investment Company for \$15,789; and Susquehanna Commercial Finance for \$18,463. Each transaction represents a sale price of ninety three cents on the dollar.

**BROWNFIELD REIMBURSEMENT PROGRAM**



## MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini  
Chief Executive Officer

Date: September 16, 2010

Subject: **Application for Brownfield Reimbursement Agreement  
Quick Chek Corporation (Quick Chek Store #004)**

### Summary:

The Members are asked to approve the Brownfield application of Quick Chek Corporation (“Quick Chek”) for Quick Chek Store #004, for reimbursement of clean-up costs for a Bayonne, Hudson County redevelopment project under a Brownfield Reimbursement Agreement with the New Jersey Economic Development Authority (“Authority”) and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.) (the “Act”). The recommended reimbursement is **75% of the actual remediation costs, not to exceed \$447,527. The estimated project remediation costs are \$596,702.**

### Project Description:

Quick Chek is a family-owned company that operates more than 120 stores throughout New Jersey and southern New York and employs more than 2,600 people. Quick Chek has entered into a 20 year lease for an approximate one-acre property site located at 38 53<sup>rd</sup> Street, Bayonne, NJ, and designated as Block 41, Lots 8 and 13.01 on the municipal tax map for the City of Bayonne (the “Project Site”). The redevelopment plan for the Project Site includes the construction of a one-story 5,000 square foot Quick Chek food store and retail gasoline sales facility. Quick Chek Corporation will operate food store #004 following the development of the property.

The proposed redevelopment at the Project Site is consistent with the City of Bayonne’s master plan for this area which includes the creation of new jobs, tax ratables, and economic revitalization to the area. This redevelopment project site is located in Planning Area 1 of the State of New Jersey’s Development and Redevelopment Plan.

Approximately 35 to 50 new full and part time permanent jobs for the Bayonne Quick Chek #004 retail operation. New property taxes for the City of Bayonne, as well as new Sales and Corporate Business tax revenue will be generated for the State of New Jersey.

**Description of Contamination:**

Remedial investigations have confirmed site-wide contaminants consisting of historic fill containing metals and poly-nuclear aromatic hydrocarbons (PAHs) at concentrations above regulatory concern and standards by the NJ Department of Environmental Protection (DEP). DEP investigations confirm that neither the Developer nor its representatives are responsible for any of the historic or present contamination on the site property.

**Remedial Action Work Plan:**

The Developer's remediation plan includes removal of contaminated soil and encapsulating the on-site historic fill with concrete, asphalt, and landscaping in accordance with the approved Remedial Action Work Plan (RAW). Approvals to proceed with the remedial action plan, demolition, and redevelopment have been obtained and the Remedial Action Work Plan (RAWP) was approved by *DEP on July 2, 2009.*

**Reimbursement Request:**

**Anticipated Remediation Costs: \$596,702**  
**Recommended Reimbursement: 75% of the actual remediation costs, not to exceed \$447,527 (75% of \$596,702)**

In accordance with the Act, approval of the application by the Authority and the State Treasurer requires finding that the site, the redevelopment project and the clean-up meet statutory economic development and fiscal requirements. Reimbursement under the Redevelopment Agreement is contingent upon the Department of the Treasury ("Treasury") finding that the Project generates sufficient tax revenue to exceed the reimbursement amount and upon the Department of Environmental Protection (DEP) determination that the remediation costs are eligible under the Act and the Agreement. NJ Treasury has found that the project developer and tenants will generate sufficient CBT Tax revenues to provide for reimbursement under this program.

Reimbursement starts once the project has been constructed on the remediated site, only after eligible costs have been approved by DEP and new tax revenues have been generated. Treasury annually tracks taxes received from job sites and remits reimbursement equal to a percentage of funds collected during the year.

**Recommendation:**

Authority staff has reviewed the application of Quick Chek Corporation for Quick Chek Store #004 and finds that it is consistent with eligibility requirements of the Act. Treasury, in reviewing the application, has notified the Authority of the adequacy of the Project's estimated tax revenues and specified the percentage reimbursement of remediation costs. Therefore, it is recommended that the Members approve the application and authorize the CEO of the Authority to execute a Brownfield Reimbursement Agreement with Quick Chek Corporation and the State Treasurer.

  
\_\_\_\_\_  
Caren S. Franzini  
Chief Executive Officer

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
BROWNFIELD AND CONTAMINATED SITE  
REMEDiation ACT PROGRAM (BCSRP)  
PROJECT SUMMARY  
Quick Chek Corporation (Quick Chek Store #004)  
September 16, 2010**

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**Applicant:**

- **Owner(s) and Developer(s):** Quick Chek Corporation (“Quick Chek”) has leased the property located at 38 53<sup>rd</sup> Street in Bayonne NJ.
- **Principals:** Robert Vallario, Quick Chek Corporation; 3 Old Highway 28, Whitehouse Station, NJ 08889.
- **Site Location:** The Site is a 1-acre parcel located at 38 East 53 Street, designated as Block 41, Lots 8 and 13.01 in the City of Bayonne, Hudson County, New Jersey.
- Quick Chek Corporation has obtained Final Site Plan approval for the remediation and redevelopment from the City of Bayonne. Approvals to proceed with the remedial action plan, demolition, and redevelopment construction have been obtained.
- A pre-application meeting was held between the project representatives and officers from the NJ Dept. of Environmental Protection (DEP), NJ Treasury and NJEDA on Friday, March 5, 2010. The Memorandum of Agreement (MOA) was accepted by the NJ Department of Environmental Protections (DEP) on July 2, 2009, and DEP Case Number **09-03-18-9837-34** was assigned to the file. A copy of the MOA was provided in the Brownfield Reimbursement application.
- Pursuant to the MOA, the developer intends to implement the site-wide remedial action plan that addresses the historic fill and groundwater at the new building development and construction at the site location.

**Programs:**

- The Brownfield and Contaminated Site Reimbursement Program (BCSRP) remediation application is presented based on pre-application meeting results. The benefit will be administered as a reimbursement of approved remediation costs based on the collection of applicable taxes from the project site contained in the application submission.
- The property is an identified Brownfield site and is currently underutilized, contaminated and is perceived by the community as a social and economic blight by the City of Bayonne.

**Project:**

- The redevelopment of the property site will improve the aesthetics of the area and create new jobs and a retail opportunity that are not currently available in the vicinity.
- The property was occupied by a commercial trailer park from 1950 to 2005. Prior to this time the property was occupied by several lumber storage sheds and was once used for wagon repairs and as for blacksmithing.
- Remedial investigations have confirmed site-wide contaminants consisting of historic fill and other soil impacts associated with prior conditions and operations at the site that exhibit concentrations of metals, organic compounds, and PAHs at concentrations above regulatory concerns above NJ Department of Environmental Protection (DEP) standards.
- Final Site Plan approval for the new Quick Chek retail establishment has been received from the City of Bayonne. Approvals to proceed with the remedial action plan. On May 1, 2009, the applicant received DEP approval of a preliminary Assessment-Site Investigation Report and Remedial Action Work Plan (PA-SI-RAW).

## **Description of Jobs**

- The Developer has agreed to and understands that from onset through completion during the remediation, redevelopment, and construction, they are obligated to abide by NJ Prevailing Rules and Regulations.
- During remediation and construction activities new union construction jobs with a wide range of trades will be created. Following construction, an estimated 35 new permanent full- and part-time jobs will be created. Quick Chek provides job training for all employees.

## **Qualifications**

- Quick Chek Corporation is eligible to enter into a Brownfield Redevelopment Agreement as it is not in any way responsible for the causing the contamination at the site and is not a corporate successor to any entity that discharged any contaminant at the site pursuant to the New Jersey Spill Compensation and Control Act, N.J.S.A. 58:10B-27(a).

### **1. The economic feasibility of the redevelopment project**

- Total project cost is estimated to be \$596,702.
- The developer has signed a 20-year lease with the property owner, Bayonne Trailer Park Associates LLC, and will occupy the land and new retail building and gasoline pumping station. The project is feasible and the financing for the building by Quick Chek Corporation is confirmed and is in place.

### **2. The extent of the economic and related social distress in the municipality**

- The City of Bayonne has experienced a decline in tax ratables and jobs over the past several years. Unemployment data from 2008 shows unemployment rate of 12% and recent job growth has decreased by 4.6%.
- The redevelopment of this site will improve the aesthetics and create new retail job opportunities that are not currently available in the area.

### **3. The degree to which the redevelopment project will advance State, regional, and local development and planning strategies**

- Redevelopment of the Site is consistent with City of Bayonne's master plan for this area which includes new job creation, increase the City's tax ratables, and to facilitate economic revitalization of the tax base.
- Redevelopment of the property will restore the underutilized and contaminated property to productive commercial use. This redevelopment project is in Planning Area 1 of the State Development and Redevelopment Plan.

### **4. The likelihood that the redevelopment project shall upon completion be capable of generating new tax revenue in an amount in excess of the amount necessary to reimburse the developer for the remediation costs as provided in the redevelopment agreement**

- New sales tax revenues derived from the project would be in excess of the requested reimbursement amount. The projected payout period is to be 2.5 to 3 years.

**5. The relationship of the development project to a comprehensive local development strategy, including other major projects undertaken within the municipality**

- Redevelopment of the site advances the goals and objectives of the city's Master Plan and will compliment other existing and new businesses in the immediate area. The city prioritizes redevelopment of the area to replace the underutilized and dilapidated trailers that previously occupied this..

**6. The need of the redevelopment agreement to the viability of the redevelopment project**

- Approval of the Brownfield Redevelopment Agreement Application is a critical factor in Quick Chek's decision to commit to the site remediation and redevelopment of the site.
- Reimbursement of 75% of the cleanup costs have been considered necessary as part of the economic viability of the project.

**7. The degree to which the redevelopment project enhances and promotes job creation and economic development.**

- New construction jobs with a wide range of trade skills will be created during the remediation and construction activities of the proposed retail store and gasoline pumping station. Following construction, an estimated 35 to 50 full- and part-time employees will be hired to operate and maintain the store. Quick Check provides job training for all employees.

**Recommended Reimbursement**

After completing an independent review of the application, the Treasurer recommends authorizing the reimbursement of 75% of the actual remediation costs, not to exceed \$447,527, pending the issuance of a Response Action Outcome (RAO) from DEP.

**TECHNOLOGY BUSINESS TAX CERTIFICATE  
TRANSFER PROGRAM**



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

**SUBJECT:** Technology Business Tax Certificate Transfer Program

### BACKGROUND

The 1998 Technology Business Tax Certificate Transfer Program allows technology and biotechnology companies with fewer than 225 employees 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.

The "New Jersey Economic Stimulus Act of 2009", P.L. 2009, c. 90, enacted into law on July 27, 2009, included amendments to the statute establishing the Technology Business Tax Certificate Transfer Program. The amendments were intended to streamline current eligibility and allocation requirements to enable more companies to participate in the program.

A brief overview of some of the more substantive changes is as follows:

- Removal of the requirements to assess likelihood of future job creation and future decrease in net losses.
- Change the requirement of having a net loss for each of the last 2 years to having a net operating loss for each of the last 2 years. This will no longer penalize companies that show a small profit due to the sale of an NOL in a prior year.

- Addition of a permanent full-time NJ employment requirement based on the number of years since the applicant was incorporated.
- Addition of a requirement that the applicant offer a group health care plan to its employees.
- Removal of the requirement that the applicant not have enough resources to operate in the short-term.
- Removal of the requirement that the applicant's technology is viable and that the applicant has a competitive advantage.
- Removal of recertified and returning applicant categories. All applicants will be reviewed as new applicants, with no applicants grandfathered based on prior year approvals.
- Re-allocate any unused portion of the \$5M set aside for Innovation Zone companies to be used by non-Innovation Zone companies.
- Change the maximum lifetime benefit an applicant can obtain from \$10 million to \$15 million.
- Change the minimum an applicant can sell the NOL benefits from 75% to 80%.
- Create a benefit recapture policy for applicants that move out of NJ within 5 years of selling the NOL benefit or use the proceeds of their benefit sale on expenses that are not allowable under the Statute.
- Change the appeal process to include the Authority's CEO appointing a hearing officer to review all appeals and make recommendations to the Board.

Additionally, the Governor recently signed into law revisions to various provisions of the Stimulus Act, including technical revisions to the Technology Business Tax Certificate Program. The measure: 1) amends the definition of "biotechnology business" to make ineligible companies without protected proprietary intellectual property that only provide services or products to biotechnology businesses and 2) amends the definition of "new or expanding" to require that each applicant have more than the minimum threshold of employees and less than the maximum number of employees at June 30<sup>th</sup> and on the closing date.

## **2010 PROGRAM CYCLE**

Last year, the eleventh year of the program, \$60 million was provided to 97 technology and biotechnology companies in need of capital and liquidity. This year, \$30 million is available to be distributed in State fiscal year 2011. Of the \$30 million, \$5 million is reserved for the surrender of transferable tax benefits exclusively by eligible companies that operate within the boundaries of the State's three (3) Innovation Zones (technology clusters fostering business-university collaboration) during State fiscal year 2011.

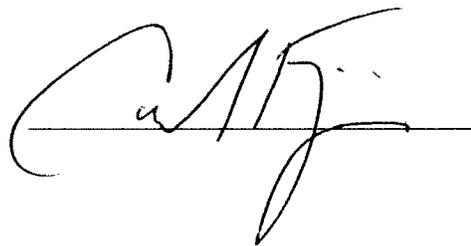
In past iterations of the Program, the New Jersey Commission on Science & Technology reviewed each application to ensure the applicants met the definition of either Biotechnology Business or Technology Business (and certain other factors that are no longer requirements of the Program). The new Statute placed this review onto the Authority for the first time. In an effort to assist in our review, each applicant was asked to expound upon how they meet the definition of either Biotechnology Business or Technology Business.

As a result of the positive changes made to the Statute, the review of the applications submitted to EDA this year yielded 21 benefit requests (23.6%) which failed to meet one or more of the eligibility criteria which is a much lower percentage versus the 2009 disapprovals of 36 (31.8%). The 68 applicants recommended for approval are estimated to receive, on average \$441,000 this year.

Based on evaluations by Authority staff, the attached list identifies the applicants recommended for approval and for disapproval (along with the reason for all disapprovals).

**RECOMMENDATION:**

Based on the above, approval is recommended for a total of 68 projects which have been evaluated according to the criteria established by the Members of the Board and met the criteria for approval. Disapproval is recommended for 21 projects that failed any of the eligibility criteria. These companies have not met the criteria for approval as described in the Project Scoresheets.

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

**Prepared by: J. Rosenfeld**

## 2010 APPLICANTS

	RECOMMENDED FOR APPROVAL	RECOMMENDED FOR DISAPPROVAL	REASON(S)
1	Adma Biologics, Inc.	Akers Biosciences, Inc.	2
2	Advanced Cerametrics, Inc.	Cinedigm Digital Cinema Corp	1
3	Advaxis, Inc.	Corente, Inc.	3
4	Agience, Inc.	Critical Links, Inc.	10
5	Alphion Corporation	EPV Solar, Inc.	9 *
6	Amicus Therapeutics, Inc.	EveresTV	1
7	Angel Medical Systems	Intra, Inc.	1
8	Antenna Software, Inc.	MDX Medical, Inc.	1
9	Blacklight Power, Inc.	Nephrogenex, Inc.	5, 7, 10
10	Bluenog Corp.	Pop Solutions, Inc.	1, 4
11	Celator Pharmaceuticals, Inc.	Reidata, Inc.	7
12	Celldex Research Corporation	RightAnswers, Inc.	1
13	Circulite, Inc.	Skyzone Entertainment, Inc.	1, 4
14	Columbia Laboratories, Inc.	Somnus Therapeutics, Inc.	7, 10, 11
15	Cormedix, Inc.	Timecruiser Computing Corporation	1, 2
16	Cornerstone Pharmaceuticals, Inc.	TimeSight Systems, Inc.	4
17	Deltronic Crystal Industries, Inc.	Trey Resources, Inc.	1, 4, 10
18	Drais Pharmaceuticals, Inc.	UDC, Inc.	5, 6
19	DvTel, Inc.	Valeritas, Inc.	6, 10
20	Eagle Pharmaceuticals, Inc.	Vidyo, Inc.	6
21	Elite Laboratories, Inc.	Xipto, Inc.	1
22	Elusys Therapeutics, Inc		
23	Enpirion, Inc.		
24	Evident Software, Inc.		
25	Flexible Stenting Solutions, Inc.		
26	Franklin Electronic Publishers, Inc.		
27	Genta, Inc.		
28	Global Bay Mobile Technologies, Inc.		
29	Hemispherx Biopharma, Inc.		
30	iBiquity Digital Corporation		
31	Immunogenetics, Inc.		
32	Integrichain, Inc.		
33	inTEST Corporation		
34	KIRUSA, Inc.		
35	Lightscape Materials, Inc.		
36	Lux Biosciences, Inc.		
37	Magnolia Broadband, Inc.		
38	Milestone Scientific, Inc.		
39	Multiplex, Inc.		
40	netForensics, Inc.		
41	Niiki Pharma Inc.		
42	Nistica, Inc,		
43	Ocean Power Technologies, Inc.		
44	Ophthotech Corporation		
45	Orchid Cellmark, Inc.		
46	Palatin Technologies, Inc.		
47	PDLL, Inc.		
48	Pharmasset, Inc.		
49	Princeton Lightwave, Inc.		
50	Provid Pharmaceuticals, Inc.		
51	PTC Therapeutics, Inc.		
52	Redpoint Bio, Inc.		
53	Replication Medical, Inc.		
54	Savient Pharmaceuticals, Inc.		
55	Semprae Laboratories, Inc.		
56	SightLogix, Inc.		
57	Signum Biosciences, Inc.		
58	Soligenix, Inc.		
59	Songbird Hearing, Inc.		
60	Sunlight Photonics, Inc.		

61	Svelte Medical Systems, Inc.
62	The PreTesting Company, Inc.
63	Tobira Therapeutics, Inc.
64	Transave, Inc.
65	Tyrx Pharma, Inc.
66	Unigene Laboratories, Inc.
67	VaxInnate, Inc.
68	Vyteris, Inc.

\* EPV Solar sold all of its assets through bankruptcy proceedings.

## CODE TO REASONS FOR DISAPPROVAL RECOMMENDATIONS

- 1 = Applicant failed to demonstrate it meets the definition of Technology/Biotechnology company.
- 2 = Applicant had positive Net Operating Income in either of the last 2 years.
- 3 = Parent company had positive Net Operating Income in either of the last 2 years.
- 4 = Applicant failed to demonstrate that it has Protected Proprietary Intellectual Property (PPIP).
- 5 = Applicant failed to provide adequate documentation supporting its rights to PPIP.
- 6 = Applicant failed to provide the required independent CPA prepared Financial Statements.
- 7 = Applicant failed to provide the required independent CPA prepared Financial Statements of it's parent.
- 8 = Applicant failed to demonstrate that it has fewer than 225 employees in the U.S.
- 9 = Applicant is not currently operating as a Technology/Biotechnology Company.
- 10 = Applicant had fewer than the required minimum number of employees at 6/30/2010.
- 11 = Applicant failed to demonstrate that it provided healthcare to its Full-Time NJ employees.
- 12 = Applicant failed to submit application by the June 30 Statutory deadline.

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



## MEMORANDUM

To: Members of the Authority

From: Caren S. Franzini  
Chief Executive Officer

Date: September 16, 2010

RE: **810 Broad Street, LLC**  
Economic Redevelopment and Growth Grant Program

### Request

The Members are asked to approve the application of 810 Broad Street, LLC (“Broad”) for reimbursement of certain taxes for a Newark, Essex County project under a "state incentive grant" by the EDA pursuant to the Economic Redevelopment and Growth Grant (ERG) program set forth in N.J.S.A. 52:27D-489c (Act).

The total project costs are estimated to be \$29.6 million. The total qualified costs under the ERG Act are **\$27,486,774**. The recommended reimbursement is for **17.1 %** of the qualified costs, not to exceed **\$4,700,238**.

### Project Description

The project involves the restoration of a 12-story building into a boutique hotel (under the InterContinental Hotel’s Indigo brand). The facility was constructed in 1912 and known as the National State Bank building (the tallest building in NJ at the time) designed by a renowned architect, Cass Gilbert, and placed on the New Jersey State and National Register of Historic Places on August 10, 1977. The site is 0.19 acres with 76,241 square feet of rentable space. Plans include up to 110 rooms, with 6,000 square feet for a restaurant. 3,000 square feet of rooftop space may be made available during the summer season for outdoor use, along with other amenities typical of an upscale service hotel. The facility is located within the Four Corners Historic District and next to the Prudential Arena at the intersection of Broad and Market Streets in downtown Newark. The proposed renovation will be platinum LEED certified and the State’s first facility to achieve such status for a rehabilitation site.

The project is expected to create 171 construction jobs and 65 permanent full time jobs.

## Project Ownership

The project will be owned by the development team consisting of Thafer Hanini (25%), Samer Hanini (25%) and Islam Zughayer (50%). Broad is a limited liability company which was formed in January of 2009 when the property was acquired with the intent to develop it as residential rental units. Upon review of the City of Newark's Master Plan, it was determined that a hotel in the area was more in line with the City's vision of a 24/7 downtown, which incorporates both residential and a hotel. The development team, with the support of the City, changed the project from residential to a hotel. The Hanini Brothers have developed fifteen properties over the past seven years focusing on residential rental rehabilitation projects (generally from three to twenty units and occasionally including ground floor retail) primarily in Newark. Mr. Zughayer is a Managing Director at Berenson and Company (a privately held, boutique investment banking firm) who has made approximately twenty investments in real estate (commercial, multi-family and mixed-use focused in the Chicago area) over the past fifteen years.

## Gap Analysis

EDA staff has reviewed the application to determine that there is a shortfall in the project development economics pertaining to the return on the investment for the developer. Staff analyzed the pro forma and projections of the project and compared the returns with and without the ERG over fifteen years.

<b>Without ERG</b>	<b>With ERG</b>
Equity IRR 11.13% (Market Range = 15-20%)	Equity IRR 19.40% (Market Range = 15-20%)
Cash on Cash Yield 8.11 % (Market Range = 8-10%)	Cash on Cash Yield 9.83 % (Market Range = 8-10%)

As indicated in the chart above, the project's feasibility to move forward and be completed is enhanced by the benefit of the ERG. **With the benefit of the ERG, the Equity IRR is 19.40% and the Cash on Cash Yield is 9.83%, making the returns more in line with the market ranges provided by the EDA's contracted consultant Jones Lang Lasalle.** The figures are at the higher end of the ranges due to the additional risk associated with an urban hotel project coupled with the fact that the market study economics were not discounted. It should be noted that the property was acquired for \$5 million in January, 2009. Beginning in May 2010, site work and demolition commenced and as of August 30, 2010 \$1.5 million in costs have been occurred. Pursuant to the ERG rules, these costs are allowable because they were incurred after receiving the application in January, 2010.

The additional revenue from the prospective ERG makes this project more feasible to continue to move forward.

## **Project Sources**

Broad will be utilizing several sources to complete the project:

<b><i>Sources</i></b>	<b><i>Amount</i></b>
Recovery Zone Facility Bonds	\$15,000,000 (\$5.4 million City of Newark and \$9.6 million Essex County)
Redevelopment Area Bond (EDA issued)	\$ 1,559,456
Historic Tax Credits (Chevron)	\$ 3,718,434
Brick City Development Corporation	\$ 500,000
Urban Enterprise Loan	\$ 2,000,000
Equity	\$ 6,851,659
<b>TOTAL SOURCES</b>	<b>\$29,629,549</b>

*Note that on May 25, 2010, a \$2.5 million bridge loan provided by Advanced Realty, LLC was funded into the project and will be fully repaid from the permanent funding sources above by the time the certificate of occupancy is obtained (estimated at November 30, 2011).*

Broad is still negotiating the terms and conditions of the funding listed above and they are subject to market conditions at time of issuance.

## **Project Uses**

<b><i>Uses</i></b>	<b><i>ERG Eligible Amount</i></b>	<b><i>Total Amount</i></b>
Purchase	\$ 5,011,500	\$ 5,011,500
General Requirements	\$ 2,448,725	\$ 3,197,451
Site & Environmental	\$ 2,358,486	\$ 2,358,486
Hard Construction	\$14,974,518	\$14,974,518
Soft Costs	\$ 832,126	\$ 2,226,175
Carrying Costs	\$ 1,861,419	\$ 1,861,419
<b>TOTAL USES</b>	<b>\$27,486,774</b>	<b>\$29,629,549</b>

ERG eligible amounts reflect elimination of developer fee (\$748,726), GC fee (in this instance to the developer of \$748,726), marketing costs (\$149,745), real estate taxes (\$212,000) and soft costs above the 20% cap (\$283,578).

## **Net Positive Benefit Analysis**

The Authority has conducted the required Net Benefit Analysis and has found that the present value of the Net Positive Benefits to the State of NJ at a 6% discount rate over a 20 year period is \$16.6 million (including the \$1.3 million of one-time tax benefits). This number is obtained by taking the annual sales tax, hotel tax and local taxes from earnings and expenditures. The present value of this figure is reduced by the present value of all local and state grants, including the ERG, resulting in the present value of the Net Positive Benefits to the State of NJ of \$13.5 million.

## **Other Statutory Criteria**

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

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

A review of the market study provided by the Applicant indicates the feasibility of the project. The financial analysis indicates a rate of return within market ranges utilized by the EDA, as noted previously in this memo. Based on the expected generation of \$633,000 of incremental direct annual sales and State hotel taxes and a 75% rebate of eligible taxes, there are adequate funds to support the reimbursement of taxes to the developer as outlined in the analysis. Per the project financial returns described earlier, there is a demonstrated need for the redevelopment incentive grant agreement.

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

The project is located in the City of Newark, an urban aid municipality and one of the NJEDA's 9 targeted cities. Newark's median household income is \$34,521 and per capita income is \$16,077 and 24.2% of the residents live in poverty. This redevelopment project is supported by the City of Newark and is consistent with the Newark Downtown Core Redevelopment Plan. The project compliments the City's desire to create a vibrant downtown entertainment and retail district as this project furthers their goals of creating a more mixed use downtown filled with activity 24 hours a day and 7 days a week. The project is expected to create at least 65 permanent jobs and provide much needed additional hotel rooms for business travelers as well as to support the events at the Prudential Center. Newark is also in Planning Area 1 under the State Master Plan, which is a target area for the ERG program.

## **Recommendation**

Authority staff has reviewed the 810 Broad Street, LLC application and finds that it is consistent with eligibility requirements of the Act. Treasury, in reviewing the application, has notified the Authority of the adequacy of the project's estimated tax revenues and specified the percentage reimbursement of total project costs. Therefore, it is recommended that the Members approve the application and authorize the CEO of the Authority to execute an Incentive Grant Agreement with the applicant and the State Treasurer, subject to final review and approval of the Office of the Attorney General. All disbursements under the ERG program are subject to annual appropriation by the New Jersey State Legislature.

Closing of the Incentive Grant Agreement and the reimbursement of any taxes is contingent upon 810 Broad Street, LLC meeting the following conditions regarding the Project:

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

Reimbursement shall commence upon:

1. Completion of construction and issuance of a permanent certificate of occupancy;
2. Submission of a detailed list of all eligible costs, which costs shall be satisfactory to the NJEDA; and
3. New tax revenues have been paid to the NJ Treasury.

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

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

**Total Eligible Project Costs: \$27,486,774**

**Eligible Taxes for Reimbursement:** Sales and Hotel Taxes of \$633,000 annually

**Recommended Grant:** 17.1% of actual costs, not to exceed **\$4,700,238 to be paid over a maximum period of 20 years.**



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

County Number	7
Address	
County	Essex
Ongoing Jobs(Direct)	65
One Time Jobs(Direct)	173

State & Local Direct Spending	Services	Select Industry Sector
Sales Tax	\$0.38	2% of sales per company data
Corporate Income Tax (CIT)	\$0.00	per company data
Gross Income Tax	\$0.09	4.5% state + 2% city wage
Misc. State Tax Revenue	\$0.26	Miscel. Tax Aggregate 8%
Property Tax (Default to Total Const Value*5%)	\$0.10	per \$100,000, max revenues amount returned by Co.
Direct Ongoing Annual Taxes	\$0.82	

State Indirect Ongoing	Direct Output Companies
Annual Corp Spending	\$11.67
Final Demand Output Multiplier	1.50x
Indirect Annual Spending	\$5.85
At 3.5 % Tax Rate	\$0.20
Annual Payroll	\$1.72
Indirect Effect Earnings Multiplier	1.46x
Indirect Earnings	\$0.80
At 4% Tax Rate	\$0.03
Indirect Ongoing Annual Taxes	\$0.20

Total State Ongoing Net Benefits	a+b+c
Annual Net Benefit	\$1.06
Cumulative Net Benefit (20yrs w/ 3% yearly inflation)	\$28.36
Present Value @6%	\$15.37

One Time	Present Value
Construction Value	\$22.9
Direct One Time Taxes on Spending	\$0.8
Direct Construction Multiplier	1.53x
Indirect One Time Spending	\$12.08
Spending Tax Rate	3.5%
Ind One Time Taxes on Spending	\$0.4
Assumed Portion of Const. on Labor	50%
Dir One Time Earnings	11.44
Earnings Tax Rate	5%
Dir One Time Taxes on Earnings	\$0.6
Direct Effect Earnings Multiplier	1.45x
Indirect One Time Earnings (50% of Construction)	5.72
Earnings Tax Rate	5%
Ind One Time Taxes on Earnings	\$0.3
Total One Time Tax Benefits	\$1.3

Total State Benefits	a+b+c+d
Total One Time Tax Benefits	\$1.3
Total State Ongoing Benefits (PV @ 6%)	\$15.4
Total Benefits	\$16.62
Implied Maximum Loan at 11.0% Coverage Ratio Before Adjustments	\$15.11

## **BOARD MEMORANDUM**



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

**SUBJECT:** Tompkins Point Industrial Park, LLC  
Newark City, Essex County, NJ  
\$1,857,000 Tax Exempt Bond (P8526)

**Request:**

Consent to an interest rate reduction from 6.0% to 4.0% and modification of the interest rate reset provisions of the conduit Bond.

**Background:**

Tompkins Point Industrial Park – Urban Renewal, L.L.C. (Tompkins) is the real estate holding company for ABCO Die Casters, Inc. (ABCO). ABCO, formed in 1971, manufactures zinc die-casting and powder coatings used by a varied group of industries.

On April 8, 1997, the Members approved a stand-alone tax-exempt bond for Tompkins in the original principal amount of \$1,857,000 (the Bond). Proceeds were used to finance the acquisition of land and an existing 105,000 sq. ft. manufacturing facility in Newark. The twenty (20) year Bond was purchased by City National Bank of New Jersey at a fixed rate of 6.723% for ten (10) years with resets.

In conjunction with the Bond, EDA provided a \$700,000 LDF loan to Tompkins in order to fill a funding gap to acquire the facility. The LDF loan is current and has an outstanding balance of \$250,249.

On October 15, 2008, the Members approved a reduction in the interest rate of the Bond from 6.723% to 6% for the next three years, with a rate reset each succeeding three year period until maturity based upon the prevailing three year U.S. Treasuries rate plus 2%, with a floor of 5%.

The Bank and Borrower have presently agreed to further reduce the interest rate of the Bond from 6% to 4% for the next 3 years. The rate reset will occur each succeeding three year period until maturity based upon the prevailing three year U.S. Treasuries rate plus 2%, with a floor of 4% for the life of the loan. The interest rate reduction will result in improved cash flow for the company, as well as improved debt service coverage for the LDF loan.

McManimon & Scotland, L.L.C., bond counsel to the Authority, has reviewed this request and will opine that the tax-exempt status of the bond will not be adversely affected as a result of this modification.

The Borrower has requested EDA's consent to this modification, which has been approved by the Bank and Bond counsel.

**Recommendation:**

It is recommended that the Board approve the reduction of interest rate and reset provisions. Approval will reduce debt service and interest expense for the Borrower and support a New Jersey-based manufacturing company.

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

Prepared By: Nancy C. Meyers



**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

**SUBJECT:** **NRG Thermal LLC, NRG Energy Center Princeton LLC and NRG Electricity Sales Princeton LLC  
P29702 & P30386 (Clean Energy Solutions Capital Investment Fund)**

**Request**

The purpose of this memo is to request that the Members of the EDA Board modify a \$5 million Clean Energy Solutions Capital Investment Fund (“CESCI”) approval reflecting several significant changes to the original approval. This modification will (1) reflect additional indebtedness incurred by NRG Thermal LLC to finance the purchase of another business (2) allow the Authority in the event of a default to enter into a six-month standstill agreement and (3) decrease the loan term from ten years to five years fully amortizing. The structure of this modification as described in the analysis will improve the Authority’s credit risk profile of the project, particularly with respect to cash flow, collateral, and a shortened loan term.

**Background**

On May 10, 2010, the Members of the Board approved a total of \$5 million financing comprised of a \$3 million loan (60%) and a \$2 million grant (40%) under the CESCI program to NRG Thermal LLC (“NRG Thermal” or the “Company”), NRG Energy Center Princeton LLC (“NRG Princeton”) and NRG Electricity Sales Princeton LLC (“NRG Electricity”). The CESCI program provides financial support in the form of grants and interest-free loans to support commercial, institutional and industrial end-use energy efficiency projects, combined heat and power production facilities, and new state-of-the-art efficient electric generation facilities, including Class I and II renewable energy. The purpose of the program is to encourage large energy users to use clean energy and have less reliance on traditional energy sources.

This project involves the development of an onsite “Energy Center” comprised of a central utility plant, combined heat and power facility, and a thermal energy storage system that will produce electricity, steam, and chilled water. The developer and owner of the Energy Center will be NRG Thermal LLC, through its wholly owned subsidiary NRG Energy Center Princeton LLC. NRG Thermal is a developer, owner and operator of Energy Centers and currently owns and maintains numerous systems throughout the United States. NRG Thermal is a wholly owned subsidiary of NRG Energy, Inc., (“NRG Energy”) a publicly traded corporation that owns and operates a variety of energy-related operations worldwide. The University Medical Center of Princeton at Plainsboro (“UMCPP”), a 237 single patient room, acute care hospital currently under construction in Plainsboro, NJ will utilize the energy produced at the Energy Center. Expected to have an open date prior to the end of 2011, UMCPP will be constructed and owned by the Princeton Healthcare System (“PHCS”), a provider of healthcare services. PHCS has entered into an Energy Services Agreement (“ESA”) with NRG Princeton for the construction of the Energy Center and the purchase of energy generated by the same. Any surplus power not needed by UMCPP will be sold in the wholesale market.

### Additional Indebtedness

At EDA Board approval, it was anticipated that there would be \$15 million in senior debt ahead of the Authority. Subsequent to EDA Board approval, the applicant communicated to the Authority that NRG Energy, through NRG Thermal, reached an agreement with APS Energy Services Company, Inc., ("APS") a subsidiary of Pinnacle West Capital Corp. (NYSE: PNW), to acquire its wholly owned subsidiary, Northwind Phoenix LLC. NRG Energy's intent to purchase APS was not disclosed to the Authority during the underwriting process as NRG Energy was bound to a confidentiality agreement with APS. The confidentiality agreement ended on 5/13/10 when NRG won the purchase bid and entered into a preliminary agreement to acquire Northwind Phoenix.

Northwind Phoenix owns and operates one of the newest district cooling systems in the U.S., providing chilled water to commercial buildings in the Phoenix central business district. Customers include office complexes, municipalities, universities and sport complexes. The acquisition was recently completed on 6/22/10. NRG Thermal's acquisition of Northwind Phoenix was financed using substantial debt proceeds from a senior lender. The additional indebtedness was not captured in the Authority's original approval and has substantially changed our assessment of cash flow in respect to debt service coverage. As such, the need to reanalyze the project in respect to cash flow is required.

### Standstill Agreement

The senior lender who financed NRG Thermal's acquisition of Northwind Phoenix has requested that the Authority in the event of a default (on either the senior lender's debt or the EDA's debt), enter into a six-month standstill agreement. The purpose of the standstill is to provide the senior lender, the Authority, and the NRG companies' sufficient time to determine the underlying issue of the default and establish a cure. In consideration of the six-month standstill, the Authority will have access to a payment reserve equal to six months of the CESCO loan payment. During the standstill, the Authority will keep the CESCO loan current using the proceeds of the payment reserve. At the end of the standstill period, the Authority will have the ability to exercise its rights and remedies in a default. As additional consideration of the standstill, the Authority will decrease its loan term from ten years fully amortizing to five years fully amortizing. This shortened term will allow the Authority to be repaid faster and reallocate the funds to another CESCO project in the State.

### Recommendation

The structure of this modification as described in the analysis will improve the Authority's credit risk profile of the project, particularly with respect to cash flow, collateral, and a shortened loan term. As such, approval is requested to (1) modify the board approval to reflect the additional indebtedness and base the cash flow analysis on the projected performance of NRG Princeton, NRG Thermal, and Northwind Phoenix (2) approve the Authority to enter into a six month standstill agreement and (3) decrease the loan term from ten years fully amortizing to five years fully amortizing.

All other items as stated in the original approval will remain the same.



**Prepared by:** David A. Lawyer, Senior Credit Underwriter



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 16, 2010

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

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

**New Jersey Business Growth Fund:**

- 1) Joy Holding LLC or Nominee (P32905), located in Hackensack, Bergen County, is a recently formed real estate holding company to purchase the project property. Operating company, CAD Signs, LLC, was founded in 2005 as a manufacturer of commercial signs; Signs CAD Corp. was founded in 2009 to install the commercial signs. PNC Bank approved a \$696,000 bank loan with a five-year, 50% guarantee of principal outstanding, not to exceed \$348,000. Loan proceeds will be used to purchase real estate. The company currently has eight employees and plans to create another eight new jobs over the next two years.
- 2) Karatonis Realty, LLC (P33066), located at 323 Cortlandt Street, Belleville Township, Essex County, was formed in 1999 and is the real estate holding company that will purchase the project property. The operating company, Woodpeckers, Inc., was founded in 1993 as a wood furniture manufacturer. PNC Bank approved a \$1,128,744 loan with a five-year, 50% guarantee, not to exceed \$564,372. Loan proceeds will be used to refinance an existing mortgage. The company currently has six employees and plans to create an additional six new jobs within the next two years.
- 3) Knock-out Graphics, Inc. or Nominee (P32674), located in Asbury Park, Monmouth County, was formed in 1990 as a graphic design business that provides graphics and printing enhancement services to commercial companies throughout New Jersey. The primary focus has been to design corporate business cards, catalogs, advertisement brochures, logos and marketing materials. PNC Bank approved a \$440,000 bank loan with a five-year, 50% guarantee of principal outstanding, not to exceed \$220,000. Loan proceeds will be used to purchase real estate. Currently, the company has thirteen employees and plans to create four additional jobs within the next two years.

**PNC Business Growth Fund Modification:**

- 1) Knockout Graphics, Inc. (P32674) was approved on August 2, 2010 for a \$220,000 (50%) guarantee of a \$440,000 loan from PNC Bank (as above). The original purpose of the loan was for the acquisition of real estate. The bank has approved an increase to the loan amount to \$495,000, and requested an increase to our guaranty to \$247,500 (50%). All other terms and conditions of the original approval remain unchanged.

**Statewide Loan Pool Program Modification:**

- 1) Metro 130 Equities, LLC (P31998) – Applicant was approved for a \$450,000 Authority participation in a \$2.03 Million TD Bank loan. Under delegated authority, a change in the collateral loan to value from 100.6% to 101.7% was approved.

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

**Prepared by: S. Mania**  
SM/gvr

**REAL ESTATE**



**MEMORANDUM**

**TO:** Members of the Authority

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

**RE:** Waterfront Technology Center Camden  
Lease Agreement with DCM Architecture and Engineering, LLC

**DATE:** September 16, 2010

**Summary**

I am requesting the Members' approval to enter into a lease agreement with DCM Architecture and Engineering, LLC ("DCM") for approximately 2,548 square feet of fourth floor office space at the Waterfront Technology Center at Camden.

**Background**

At the June 2004 meeting, the Members approved the construction of the WTCC Tech One building, a 100,000 square foot, five-story, multi-tenanted facility.

DCM is a current tenant in the Rutgers Camden Technology Campus ("RCTC"), a business incubator which leases 20,000 square feet on the second floor of the WTCC Tech One building. DCM is an architectural and engineering firm with a focus on energy efficient design and building maintenance. The firm, founded in 2006, is a registered Small Business Enterprise whose president, Eduardo Guzman, recently received the Philadelphia Business Journal's 2010 Hispanic Business Leader Award.

DCM intends to sublease half of the space to another RCTC tenant, Blue Sky Power, LLC ("Blue Sky"), which was formed in 2008 and develops, finances and manages clean energy capital projects. Blue Sky moved into the RCTC incubator from Haddonfield, NJ one year ago with one office and three employees, and now occupies two offices with five full time and three part time employees, including two additional partners. The firm intends to hire three additional full time employees within the next six months and is in need of larger space.

Entering into this lease with DCM will be contingent upon DCM entering into a sub-lease with Blue Sky that is for the full term of the Authority's lease with DCM, covers approximately half of the Premises, and Blue Sky pays DCM rent at \$21.50 per square foot gross plus Base Year Escalations.

**Financial Analysis**

Staff reviewed DCM's financial statements for the past two years and found that their net assets and gross income have [REDACTED]

[REDACTED] Because of the economic recession which deeply affected the construction industry, DCM experienced a loss of architectural contracts and a reduction of eight full time staff. As a result, the firm has reinvented itself with a focus on energy efficiency and green design for existing buildings. The firm continues to be debt free, and has grown from a post-layoff low of four employees up to eight employees currently. DCM has recently been awarded a significant federal contract due to its location in a HUB zone.

A security deposit equal to three months' rent, or \$13,700, will be required.

**Recommendation**

In summary, I am requesting the Members' approval for the following: 1) execution of the Authority's standard form of lease with DCM Architecture and Engineering, LLC for approximately 2,548 square feet of office space at the Waterfront Technology Center at Camden's Tech One building on terms generally consistent with the attached sheet and conditioned upon a sublease with Blue Sky Power; 2) a \$22,932 Business Lease Incentive Grant to DCM payable over two years per the approved schedule for office and high tech tenants, contingent on approval of the Camden Economic Recovery Board staff under Delegated Authority; and 3) any and all other documents required to effectuate this transaction, on final terms acceptable to the Attorney General's Office and the Chief Executive Officer.

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

**Attachment**

Prepared By: Christine Roberts

**LANDLORD:** NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

**PROPERTY:** THE WATERFRONT TECHNOLOGY CENTER AT CAMDEN

**TENANT:** DCM Architectural and Engineering, LLC

**PREMISES:** Approximately 2,548 rentable square feet on the fourth floor.

**LEASE TERM:** Five (5) years from rent commencement.

**RENT COMMENCEMENT:** Rent shall commence to accrue upon the earlier of ninety (90) days from lease execution date or Tenant occupancy of the premises (the "Rent Commencement Date").

**BASE RENTAL RATES:** Years 1 - 5: \$21.50 psf gross

**TAXES AND OPERATING EXPENSES (CAM):** The lease is a modified gross lease and the base rent includes CAM (water, sewer, utilities and maintenance), tenant electric, real estate taxes (PILOT), insurance, snow/landscape service, and property management (including office janitorial and security).

**BASE YEAR ESCALATIONS:** After Year 1, Tenant will be responsible for any taxes, operating expense and CAM charges which exceeds Landlord's Base Year operating expense estimate.

**TENANT IMPROVEMENTS:** None.

**RENEWAL OPTIONS:** None.

**BROKER:** None.

**SECURITY DEPOSIT:** Equal to three months' rent, or \$13,700.

**BLI GRANT:** Year 1: \$5.00 psf  
Year 2: \$4.00 psf



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## MEMORANDUM

**TO:** Members of the Authority

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

**RE:** Retail Lease Amendment – Laboratory Corporation of America  
Renaissance Place at Trenton Office Complex

**DATE:** September 16, 2010

### Summary

At the September meeting of the Authority, I will seek your approval to grant Laboratory Corporation of America (LabCorp), a current tenant at the Trenton Office Complex's retail space, a Lease extension of three (3) years.

### Background

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

LabCorp, a company that provides routine adult and pediatric specimen collection for diagnostic testing and screening, presently occupies 1,380 square feet in Renaissance Place. LabCorp's initial lease expired on December 31, 2004. They have since exercised two lease extensions. They would now like to extend their Lease, which expires on December 31, 2010, for an additional three (3) years, from January 1, 2011 through December 31, 2013. Their current rent of \$15.45 per square foot will remain the same during 2011, and will increase by 3% each of the following years, to \$15.91 and \$16.39 per square foot, respectively, which is consistent with current market rental rates. LabCorp has performed in accordance with the terms of its existing Lease.

The attached form of the Fourth Lease Extension Agreement is in substantially final form. The final document may be subject to revision, although the basic terms and conditions will remain consistent with the attachment. The final terms of the extension agreement will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

**Recommendations**

In conclusion, I am requesting the Members' approval to enter into this Fourth Lease Extension Agreement with LabCorp at the Trenton Office Complex on terms generally consistent with this memorandum.



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Caren S. Franzini

Attachment

Prepared by: Diane Wong

# FOURTH LEASE EXTENSION AGREEMENT

THIS FOURTH LEASE EXTENSION AGREEMENT, made the \_\_\_\_\_ day of \_\_\_\_\_, 2010 (the "Fourth Lease Extension Agreement") is by and between LABORATORY CORPORATION OF AMERICA HOLDINGS ("Tenant"), and the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY ("Landlord").

WHEREAS, the Tenant and the Landlord entered into a certain Lease Agreement made as of September 23, 1997, a Lease Term Extension Agreement made as of January 1, 2005, a Second Lease Extension Agreement made as of January 1, 2007, and a Third Lease Extension Agreement made as of October 6, 2009 (collectively the "Lease"); and

WHEREAS, the Landlord and Tenant wish to further extend the term of the Lease as more fully set forth below.

NOW, THEREFORE, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties amend the Lease as follows:

1. The term of the Lease shall be extended for a period beginning on January 1, 2011 and ending on December 31, 2013 (the "Fourth Extension Period").
2. Fixed Minimum Rent. During the Fourth Extension Period, TENANT shall pay to LANDLORD Fixed Minimum Rent as follows:

	<u>Annual Fixed Rent</u>	<u>Monthly Fixed Rent</u>
Year One (1/1/11 - 12/31/2011)	\$21,321.00	\$1,776.75
Year Two (1/1/12 - 12/31/2012)	\$21,960.60	\$1,830.05
Year Three (1/1/13 - 12/31/2013)	\$22,619.40	\$1,884.95

3. Landlord hereby re-affirms it represents and warrants as set forth in Article XIX, Section 19.01, Paragraph (x) of the Lease, to wit: Landlord is an instrumentality of the State of New Jersey, and as such, no physician or immediate family member of a physician has an ownership or investment interest in the Demised Premises or the Retail Center, either directly or indirectly, through debt, equity or otherwise. Subject to the Landlord's public purpose of serving for the betterment of New Jersey generally, Landlord further represents that no physician or immediate family member of a physician shall receive or share directly or indirectly in the proceeds of the lease.

4. Section 20.01 of the Lease (which was added to the Lease by the Second Lease Extension Agreement) was replaced in its entirety with the following Section

20.01 in the Third Lease Extension Agreement and is repeated herewith:

a) Contribution - means a contribution reportable as a recipient under "The New Jersey Campaign Contributions and Expenditures Reporting Act." P.L. 1973, c. 83 (C.10:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq., a contribution made to a legislative leadership committee, a contribution made to a municipal political party committee or a contribution made to a candidate committee or election fund of any candidate for or holder of the office of Lieutenant Governor. Currently, contributions in excess of \$300 during a reporting period are deemed "reportable" under these laws.

b) Business Entity - means:

i) a for-profit entity as follows:

A. in the case of a corporation: the corporation, any officer of the corporation, and any person or business entity that owns or controls 10% or more of the stock of corporation;

B. in the case of a general partnership: the partnership and any partner;

C. in the case of a limited partnership: the limited partnership and any partner;

D. in the case of a professional corporation: the professional corporation any shareholder or officer;

E. in the case of a limited liability company: the limited liability company and any member;

F. in the case of a limited liability partnership: the limited liability partnership and any partner;

G. in the case of a sole proprietorship: the proprietor;  
and

H. in the case of any other form of entity organized under the laws of this State or other state or foreign jurisdiction: the entity and any principal, officer, or partner thereof;

ii. any subsidiary directly or indirectly controlled by the business entity;

iii. any political organization organized under section 527 of the Internal Revenue Code is directly or indirectly controlled by the business

entity, other than a candidate committee, election fund, or political party committee; and

iv. with respect to an individual who is included within the definition of business entity the individual's spouse or civil union partner, and any child residing with the individual, provided, however, that, this Order shall not apply to a contribution made by such spouse, civil union partner, or child to a candidate for whom the contributor is entitled to vote or to a political party committee within whose jurisdiction the contributor resides unless such contribution is in violation of section 9 of P.L. 2005, c. 51 (C.19:44A-20.1 et seq.) ("Chapter 51").

c) EO 134 – means Executive Order 134 (implemented by former New Jersey Governor James E. McGreevey on September 22, 2004) as codified by Public Law 2005, chapter 51 (N.J.S.A. 19:44A-20.13 through N.J.S.A. 19:44A-20.25) and expanded by Executive Order 117 (Gov. Corzine, September 24, 2008).

5. Except as expressly modified hereby, all terms, conditions, definitions, undertakings and covenants of the Lease shall remain in full force and effect and are in no way abrogated by this Fourth Lease Extension Agreement. Capitalized terms used in the within Fourth Lease Extension Agreement but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

6. Section 17.06 of the Lease, "Service of Notice", is hereby amended as to Tenant for copy purposes to:

"Laboratory Corporation of America Holdings  
531 South Spring Street  
Burlington, NC 27215  
Attention: Law Department"

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

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

(Signature Page Follows)

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

ATTEST:

**NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY,  
LANDLORD**

\_\_\_\_\_

By: \_\_\_\_\_  
NAME: Caren S. Franzini  
TITLE: Chief Executive Officer

ATTEST:

**LABORATORY CORPORATION OF  
AMERICA HOLDINGS, TENANT**

\_\_\_\_\_

By: \_\_\_\_\_  
NAME:  
TITLE:



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

## MEMORANDUM

**TO:** Members of the Authority

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

**RE:** Biotechnology Development Center II  
Lease Agreement with Sophion Bioscience, Inc.

**DATE:** September 16, 2010

### Summary:

I will request the Members' approval to add a termination option to the pending five-year lease execution with Sophion Bioscience, Inc. ("Sophion") for 5,125 square feet of generic wet lab space in the Tech III building.

### Background:

At the September, 2007 meeting, the Members approved funding for the construction of generic lab space for incubator graduates, and the execution of a master lease with the AFL-CIO Building Investment Trust, the Authority's partner in the Technology Centre of New Jersey, LLC, for approximately 12,000 square feet in Tech III called the Biotechnology Development Center II (BDC II). Construction of the space was completed in October of 2009.

At the June, 2010 meeting, the Members approved a lease agreement with Sophion Bioscience, Inc. ("Sophion") for 5,125 square feet of generic wet lab space in the BDC II for a term of five years and four months. Sophion was incorporated in New Jersey in 2004 and began occupying lab space at the Authority's Commercialization Centre for Innovative Technologies ("CCIT") in 2005. The company is a wholly owned subsidiary of Sophion Bioscience A/S ("Sophion A/S"), which was founded in 2000 as a spin-out from NeuroSearch, a Scandinavian biopharmaceutical company, and is headquartered near Copenhagen, Denmark. Sophion provides advanced products and integrated solutions for automated patch clamping, which is a technique used in ion channel drug discovery research.

During their final review and prior to signing the lease, Sophion requested an option to terminate the lease at any time after 36 months from the Net Rent Commencement date with six (6) months' notice and the following proposed fees: \$120,000 if the lease is terminated after the 36<sup>th</sup> and before the end of the 42<sup>nd</sup> month, \$100,000 if the lease is terminated after the 42<sup>nd</sup> and before the end of the 48<sup>th</sup> month, and \$80,000 if the lease is terminated after the 48<sup>th</sup> month. The termination option can be exercised only if Sophion is not in default.

Sophion's lease provides for a graduated rent structure with lower rents in the early years of the lease term and higher rents at the end. Therefore, the termination fee to be paid upon exercising the option must be a minimum of the sum of 1) the difference between the scheduled rent and the average rent over the five year lease term, and 2) the unamortized lease commission. The fee structure as proposed meets this minimum, as well as providing rent coverage for two to four months after the termination, depending upon timing.

**Recommendation:**

In summary, I am requesting the Members' approval to add a termination option to the five-year lease with Sophion Bioscience, Inc. for 5,125 square feet of generic wet lab space in the Biotechnology Development Center II on terms generally consistent with the above, and to execute documents to complete this transaction on final terms acceptable to the Attorney General's Office and the Authority's Chief Executive Officer.



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Caren S. Franzini

**Prepared By:** Christine Roberts