



MEMORANDUM

TO: Members of the Authority

FROM: Melissa Orsen
Chief Executive Officer

DATE: January 10, 2017

SUBJECT: Agenda for Board Meeting of the Authority January 10, 2017

Notice of Public Meeting

Roll Call

Approval of Previous Month's Minutes

Chief Executive Officer's Monthly Report to the Board

Incentive Programs

Bond Projects

Loans/Grants/Guarantees

Office of Recovery

Real Estate

Board Memorandums

Executive Session

Public Comment

Adjournment

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

December 13, 2016

MINUTES OF THE MEETING

Members of the Authority present: Larry Downes, acting as Chairman; Peter Simon representing Acting State Treasurer Ford M. Scudder; Jeffrey Stoller representing Acting Commissioner Aaron Fichtner of the Department of Labor and Workforce Development; Patrick Mullen representing Commissioner Richard Badolato of the Department of Banking and Insurance; Colleen Kokas representing Commissioner Bob Martin of the Department of Environmental Protection; Public Members: David Huber, Charles Sarlo, Fred B. Dumont, Philip Alagia, Massiel Medina Ferrara, William Layton, William J. Albanese, Sr., Second Alternate Public Member; Harold Imperatore, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent: Patrick Delle Cava, First Alternate Public Member.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Bette Renaud, Deputy Attorney General; and staff.

An acknowledgment of Chairman Al Koepp's service and contributions to the State of New Jersey, was led by Mr. Downes and senior staff with additional remarks by members of the public, including former CEOs Caren Franzini and Michele Brown and members of the Board.

Mr. Downes called the meeting to order at 10:15 a.m.

Pursuant to the Internal Revenue Code of 1986, Ms. Orsen 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. Orsen 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 November 17, 2016 meeting minutes. A motion was made to approve the minutes by Mr. Huber and seconded by Mr. Imperatore and was approved by the 13 voting members present.

The next item of business was the approval of the November 17, 2016 executive session meeting minutes. A motion was made to approve the minutes by Mr. Huber and seconded by Mr. Dumont and was approved by the 13 voting members present.

FOR INFORMATION ONLY: The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.

AUTHORITY MATTERS

ITEM: 2017 Strategic Business Plan

REQUEST: To review and approve the 2017 Strategic Business Plan that has been reviewed by the Audit Committee

MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Alagia **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: 2017 Fiscal Year Plan

REQUEST: To review and approve the 2017 Fiscal Year Plan that has been reviewed by the Audit Committee

MOTION TO APPROVE: Mr. Albanese **SECOND:** Ms. Ferrara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

INCENTIVE PROGRAMS

ITEM: NJEDA Economic Impact Model

REQUEST: Approval to revise certain assumptions and functionalities of the NJEDA's Economic Impact Model and ratify and approve as Authority policy our current practice of addressing corporate business tax.

MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Alagia **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: Proposed Rule Amendments to the Net Positive Economic Benefit Test

REQUEST: Approve rule amendments to revise the net positive economic benefit test.

MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Huber **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Grow New Jersey Assistance Program

ITEM: Advisor Group, Inc.

APPL.#43608

REQUEST: To approve the application of Advisor Group, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development, Jobs with Salary in Excess of County Average and Targeted Industry (Finance). The estimated annual award is \$465,000 for a 10-year term.

MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Albanese **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Cascades Holding US Inc. APPL.#43681
REQUEST: To approve the application of Cascades Holding US Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Elizabeth City, NJ. Project location of Elizabeth, Union County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Deep Poverty Pocket, Capital Investment in Excess of Minimum (non-Mega) and Targeted Industry (Manufacturing) The estimated annual award is \$1,820,000 for a 10-year term.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Alagia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

ITEM: Cyalume Specialty Products Inc. APPL.#43367
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

ITEM: Cyalume Specialty Products Inc. APPL.#43367
REQUEST: To approve the application of Cyalume Specialty Products Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Franklin Township, NJ. Project location of Franklin Township, Somerset County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Capital Investment in Excess of Minimum (non-Mega) and Targeted Industry (Manufacturing). The estimated annual award is \$152,750 for a 10-year term.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Alagia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: Noven Pharmaceuticals, Inc. APPL.#43639
REQUEST: To approve the application of Noven Pharmaceuticals, Inc. LLC. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development, Jobs with Salary in Excess of County Average and Targeted Industry (Life Sciences). The estimated annual award is \$270,000 for a 10-year term.
MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Vitaquest International LLC . APPL.#43651
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

ITEM: Vitaquest International LLC . APPL.#43651
REQUEST: To approve the application of Vitaquest International LLC. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Paterson City, NJ. Project location of Paterson City, Passaic County qualifies as a Garden State Growth Zone under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Deep Poverty Pocket, Transit Oriented Development, Targeted Industry (Manufacturing) and GSGZ Industry Project with Capital Investment in Excess of Minimum. The estimated annual award is \$2,940,000 for a 10-year term.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Ms. Ferrara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Grow New Jersey Assistance Program – Modifications

ITEM: EMR Eastern LLC and Affiliates APPL.#41233
REQUEST: To approve the modification request to expand and change its approved QBF
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

ITEM: Mane USA Inc. APPL.#42299
REQUEST: To approve the modification request to change its approved QBF and reduce the total number of Grow jobs
MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Mullen **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

BOND PROJECTS

Bond Resolutions

ITEM: Health/Agriculture and Treasury Taxation Buildings (Trenton)
REQUEST: To approve a bond reimbursement resolution for an amount not to exceed \$4 million
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Simon **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: NJEDA/Transportation Project Sublease Revenue Bonds and Revenue Refunding Bonds (New Jersey Transit Corporation Projects) 2017 Series
REQUEST: To approve the issuance of one or more series of the 2017 Transportation Project Sublease Revenue and Revenue Refunding Bonds
MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Yeshiva Gedola Na'os Yaakov Inc
LOCATION: Lakewood Township, Ocean County
PROCEEDS FOR: Refinancing
FINANCING: \$3,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Simon
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

APPL.#43332
AYES: 13

Amended Bond Resolutions

ITEM: The Peddie School
LOCATION: Hightstown Borough, Mercer County
PROCEEDS FOR: Refunding
FINANCING: \$15,300,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Huber
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

APPL.#43635
AYES: 13

Combination Preliminary and Bond Resolutions

ITEM: Uncommon CP Properties III, LLC
LOCATION: Camden City, Camden County
PROCEEDS FOR: Renovation of existing building
FINANCING: \$7,876,000 Taxable Qualified Zone Academy Bond
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Simon
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

APPL.#43822
AYES: 13

LOANS/GRANTS/GUARANTEES

Hazardous Discharge Site Remediation Fund Program

ITEM: Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

AYES: 13

PROJECT: Borough of Freehold (Colaner Property)
LOCATION: Freehold Borough, Monmouth County
PROCEEDS FOR: Remedial Action and Investigation
FINANCING: \$144,059

APPL.#42863

PROJECT: Camden Redevelopment Agency (N Camden Waterfront)
LOCATION: Camden, Camden County
PROCEEDS FOR: Remedial Action
FINANCING: \$1,800,791
PROJECT: City of Newark (Rise Field Project)
LOCATION: Newark City, Essex County

APPL.#43778
APPL.#43508

PROCEEDS FOR: Remedial Action
FINANCING: \$643,201

PROJECT: City of Perth Amboy (Second Street Park) APPL.#43881
LOCATION: Perth Amboy City, Middlesex County
PROCEEDS FOR: Remedial Action
FINANCING: \$1,799,986

PROJECT: Township of Berkeley (S. Brunswick Asphalt Comp.) APPL.#43580
LOCATION: Berkley Township, Ocean County
PROCEEDS FOR: Remedial Investigation
FINANCING: \$712,380

PROJECT: Township of Scotch Plains (Raritan Rd Recreation Facility) APPL.#42345
LOCATION: Scotch Plains Township, Union County
PROCEEDS FOR: Remedial Action
FINANCING: \$32,528

PROJECT: Township of West Windsor (West Windsor Sanitary Landfill) APPL.#42511
LOCATION: West Windsor Township, Mercer County
PROCEEDS FOR: Remedial Investigation
FINANCING: \$299,383

EDISON INNOVATION FUND

ITEM: Wylei, Inc.
REQUEST: Approve a \$650,000 loan from the Edison Innovation VC Growth Fund
MOTION TO APPROVE: Mr. Stoller **SECOND:** Ms. Ferrara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

REAL ESTATE

ITEM: Real Estate Impact Fund Revisions
REQUEST: Approval of expansions and revisions to the Real Estate Impact Fund
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Mullen **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

ITEM: Former Riverfront State Prison Site, Camden, NJ
REQUEST: Approval of a Memorandum between the EDA, Department of Treasury, Department of Property Management and Construction and the City of Camden regarding construction, maintenance, and operation of the site prior to sale
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

ITEM: NJ Unmanned Aircraft Systems Test Sites Consortium
REQUEST: Approval of the funding and budget for the NJ UASTS as required by the grant Agreement between the NJ Innovation Institute and the Authority
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Alagia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Projects approved under Delegated Authority

Small Business Fund Program: Bossen Real Estate Holdings, LLC
(P43345)

Premier Lender Program: Crystalware Limited Liability Company
(P43527), Snack Innovations, Inc. or Nominee (P43522).

Camden ERB: Tyrone Miles (P38996)

PUBLIC COMMENT

There were no public comments.

There being no further business, on a motion by Mr. Dumont, and seconded by Ms. Ferrara, the meeting was adjourned at 11:30 am.

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.



Erin Gold, Director, Marketing & Public Affairs
Assistant Secretary



MEMORANDUM

TO: Members of the Authority

FROM: Melissa J. Orsen
Chief Executive Officer

DATE: January 10, 2017

RE: Monthly Report to the Board

2016 YEAR IN REVIEW

As we close out an exciting and personally challenging 2016, we are pleased to report on the impact of programs administered by the EDA over the last year - from financing for small businesses and not-for-profits, to mentoring and investment resources for technology and life sciences start-ups, to the advancement of transformational projects spurred by the New Jersey Economic Opportunity Act (EOA).

The EDA's efforts in 2016 were guided by our Strategic Business Plan, which includes key imperatives designed to support the creation and retention of jobs and facilitate private investment in communities across the State.

Strategic Imperative 1 is focused on growing New Jersey's economy through financial assistance and partnerships with businesses and municipalities to encourage economic growth, revitalization, and rebuilding. In total, the EDA finalized more than \$1.3 billion in assistance to support 357 projects in 2016. These projects involve the anticipated creation of more than 8,200 new jobs, the retention of more than 6,900 "at risk" jobs, and public/private investment totaling more than \$2 billion.

Through our traditional financing programs, we supported the growth and sustainability of a wide range of small- and mid-sized businesses and not-for-profit organizations across New Jersey. In keeping with our tagline "EDA Was Here," which is the cornerstone of our small business awareness program, EDA visited nine businesses in 2016 that utilized our small business lending programs – from a sign manufacturer in Bergen County to a family-owned software company in Camden County. Combined with the launch of our social media presence on LinkedIn and Twitter through @NJEDAWasHere, and the new quarterly newsletter, BizBuzz, 2016 resulted in enhanced visibility of our traditional financing programs to the marketplace.

The EOA continued to successfully attract interest from businesses and developers inside and outside the State. In total, EDA executed agreements for 52 Grow New Jersey (Grow NJ) projects in 2016, which are pending certification. Over the last year, we celebrated the opening of the 76ers new practice facility in Camden; Patella Woodworking's new manufacturing and headquarters facility in Passaic – a project supported through Grow NJ and traditional financing; we helped break ground on the long awaited One Theater Square in Newark; and, we celebrated the arrival of one of the first and largest tenants at Bell Works - in addition to iCIMS, two other companies receiving Grow NJ tax credits also plan to locate at the former Bell Labs site in Holmdel.

Next month we will provide the Board with an update of our “Completed and Certified Incentive Projects” report, detailing actual private investment and jobs, as well as the certified credit amount disbursed for each project under the EOA, and the legacy Grow NJ, Economic Redevelopment and Growth, and Urban Transit Hub Tax Credit programs.

2016 also was marked by a continued commitment to the growth of New Jersey's technology sector. Notably, EDA received its 500th application for the Angel Investor Tax Credit Program, with 17 new companies participating this year. The EDA also invested in two new venture funds, and @NJEDATech gained 400 Twitter followers, nearly doubling the number of followers we had at the beginning of 2016.

Our Sandy team has remained focused on helping businesses and communities rebuild, closing 41 Stronger New Jersey Business Loans totaling more than \$26 million; disbursing over \$2.4 million to 67 small businesses through the Stronger New Jersey Business Grant Program; and getting out more than \$18.8 million to support 18 projects through the Stronger New Jersey Neighborhood and Community Revitalization Program. In total, nearly \$147 million in funding has been disbursed to over 1,265 storm-impacted small businesses, not-for-profits, and municipalities across the State.

We are also pleased that four projects were presented to the Board for reservation of a total of \$65 million in Energy Resilience Bank funds. Eight additional project intake forms totaling \$105.8 million, representing projects across the wastewater and water treatment and hospital and healthcare sectors, were deemed eligible by EDA staff to proceed to the full application stage.

The Fort Monmouth Economic Revitalization Authority (FMERA) had an unparalleled year, achieving a major milestone in November when it closed on \$33 million in financing and purchased the balance of Fort Monmouth from the U.S. Army. FMERA now owns or controls the entire 1,126 acres of the fort. FMERA also took action to redevelop 238 acres of the Fort, which included selling two properties, signing four Purchase and Sale & Redevelopment Agreements, and issuing five Requests for Offers to Purchase.

Strategic Imperative 2 is to advance a financially sustainable business platform while focusing on mission driven investments.

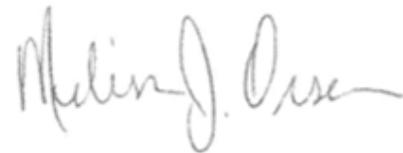
Our Real Estate team had an unprecedented 2016, which included finalizing the sale of both the Waterfront Technology Center at Camden, as well as waterfront development sites that have paved the way for a transformational mixed-use development in the City.

The EDA is also proud to have fully and successfully transitioned to an electronic Board agenda, beginning in August 2016. The Diligent software has allowed us to produce, share and collaborate on Board meeting materials in a secure, user-friendly, paperless platform, improving efficiencies and governance and helping us achieve cost savings over the long-term.

Strategic Imperative 3 is focused on supporting the effectiveness of the EDA through improved resources, infrastructure, and processes. This includes the significant investment of resources and time in 2016 dedicated to the continued implementation of the multi-year Enterprise Resource Planning/Loan Management System project - Project Enable. This cross-organizational initiative will dramatically improve efficiencies when we go live with our new system by the end of the third quarter.

The EDA is also pleased to have launched an expanded and enhanced internship program in 2016, providing college students multi-faceted, integrated learning opportunities designed to prepare them for a fast-paced work environment. Developed and led by our Human Resources team, our new program includes interaction with EDA leadership and peer mentors, networking events, and workshops focused on a range of topics.

The impact of the EDA and our success as an organization would not be possible without the dedication and hard work of our Board and staff. Across every division, from business development to closing services, your commitment to the highest levels of due diligence and customer service are second to none. The EDA looks forward to an equally productive 2017.



INCENTIVE PROGRAMS

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



MEMORANDUM

To: Members of the Authority

From: Timothy Lizura
President and Chief Operating Officer

Date: January 10, 2017

RE: **Kingsland Street Urban Renewal, LLC**
Mixed Use Parking Economic Redevelopment and Growth Grant Program (“Mixed Use Parking ERG”)
P #42840

Request

As created by statute, the Economic Redevelopment and Growth (ERG) Program offers state incentive grants to finance development projects that demonstrate a financing gap. Applications to the ERG Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the “Economic Opportunity Act of 2014, Part 3,” P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 52 :27D-489a et seq. / N.J.A.C. 19:31-4 and the program’s rules, developers or non-profit organizations on behalf of a qualified developer, must have a redevelopment project located in a qualifying area, demonstrate that the project has a financing gap, meet minimum environmental standards, meet a 20% equity requirement, and, except with regards to a qualified residential project, mixed-use parking project, or a university infrastructure project yield a net positive benefit to the state. With the exception of residential ERG projects, mixed-use parking projects, and university infrastructure projects grants are made annually based on the incremental eligible taxes actually generated as a result of the project.

The Members are asked to approve the application Kingsland Street Urban Renewal, LLC (the “Applicant”) for a Project located at 340 Kingsland Street, Clifton, Passaic County (the “Project”), for the issuance of tax credits pursuant to the Mixed-Use Parking ERG program of the Authority as set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 (“Act”).

On July 13, 2015, legislation was enacted as P.L. 2015, c. 69 allows municipal redevelopers to apply for tax credits under the Mixed-Use Parking ERG program for mixed use parking projects. The maximum of reimbursement shall equal up to 100% of the total eligible project costs allocable to the parking component of the project and in addition 40% of the total eligible project costs allocable to the office space / retail component of the project. The total costs of the Project are estimated to

be \$25,271,906, and of this amount, \$24,373,833 is eligible parking costs under the Mixed-Use Parking ERG program. The recommendation is to award 100% of actual eligible Parking costs, not to exceed \$20,000,000.

Project Description

The Project's site is located at 340 Kingsland Street, Clifton, Passaic County. The Parking Project will consist of a newly constructed single building of approximately 214,660 square feet with ground floor retail and multi-level parking. The parking component will be approximately 212,160 square feet and accommodate 805 vehicles. The ground floor retail space will be approximately 2,500 square feet and is anticipated to include a bookstore to accommodate the needs of students, faculty, and staff.

The Project is a phase in the "Enterprise" that consists of the development of the new Seton Hall-Hackensack Meridian School of Medicine development. The Enterprise includes 116 acres formerly owned by Hoffman La Roche, Inc that has been vacant for over a year. It is anticipated that the Enterprise will host Seton Hall's College of Nursing and School of Health and Medical Sciences, as well as the future site of a National Health Institute-designated clinical research center.

The Project will be adjacent to two existing buildings within the Enterprise. One building will house the new Seton Hall – Hackensack School of Medicine and the Seton Hall School of Health and Medical Sciences. The second building will contain the Seton Hall College of Nursing. The Parking garage will be used by students, faculty, and staff of the medical school. Seton Hall School of Health and Medical Sciences and its related research laboratories will occupy approximately 238,000 square feet within the two buildings. The Members of the EDA Board approved a GROW award to The Seton Hall-Hackensack School of Medicine at the Authority's November 13, 2015 Board Meeting.

A Market Feasibility Analysis prepared by Langan Engineering, a third-party consultant, dated May 29, 2015 shows that there will be a strong demand for parking due to the development of the medical school. There are limited parking alternatives to accommodate the over 2,000 students, faculty and staff that will occupy the site upon completion of the Enterprise.

Construction is expected to begin in April, 2017 in conjunction with the closing on financing and investments. The anticipated completion of the Project is March, 2019. The Project will also align with and comply with the EDA's green building requirements by utilizing by employing a comprehensive whole building approach to saving energy and selecting sustainable materials.

Although applicants for the Mixed-Use Parking ERG program are not required to maintain certain employment levels, it is estimated that this Project, per the Applicant, will create approximately 200 temporary construction jobs.

Project Ownership

The applicant entity is 50% owned by the Hackensack University Health Network and the Seton Hall University. In June 2015, Seton Hall University (“SHU”) and Hackensack University Health Network (“HUHN”) signed the School of Medicine Agreement to establish the principle elements of a long-term relationship between them to, among other things, develop a new school of medicine and graduate medical education program to attract top medical school applicants, retain exceptional physicians and faculty, and create a regional, national and internationally based health education initiative. The Seton Hall-Hackensack School of Medicine (“SOM”) is a nonprofit New Jersey Corporation which will seek tax exempt status under Section 501(c)(3) of the Internal Revenue Code. The SOM is jointly controlled and operated by SHU and HUHN, with each institution appointing 50% of the SOM Board of Trustees. The Seton Hall Board of Regents possesses certain reserved powers with respect to the academic operations of the SOM. The Hackensack Board of Trustees possesses certain reserved powers with respect to clinical activities related to the SOM. The development of the project will support the proposed development of the enterprise and is essential to the development of the site.

On June 30, 2016 PB Nutclif I, an affiliate of Prism Capital Partners completed the purchase of the project site. After the purchase of site the applicant entered into a master Lease for the site with PB Nutclif I. The Master Lease has a term of 25 years with the opportunity to renew or purchase the site at the end of the term.

Project Uses

The Applicant proposes the following uses for the Project:

<i>Uses</i>	<i>Total Project Costs</i>	<i>MIXED USE PARKING ERG Eligible Amount</i>
Construction & Site Improvements	21,272,500	21,272,500
Professional Services	650,000	650,000
Financing & Other Costs	2,166,238	1,555,376
Contingency	1,183,168	1,183,168
TOTAL USES	25,271,906	24,661,044
Net Cost of Parking Component	24,977,581	24,373,833

ERG eligible project costs exclude ineligible costs aggregating \$610,862, which includes estimated debt reserve escrows and working capital which are deemed ineligible.

<i>Sources of Financing</i>	<i>Amount</i>
BOFA Debt Financing	\$ 2,217,525
BOFA ERG Bridge Loan	18,000,000
Applicant Equity	5,054,381
Total	\$25,271,906

The Applicant has provided a LOI from Bank of America for Bridge Loan and Construction to Permanent financing for the project. It is anticipated that the Permanent financing will have a 30-year amortization at an estimated interest rate of 4.45%. The Applicant also anticipates receiving an ERG Bridge Loan with a 10-year amortization at an interest rate of 4.45%. Mixed Use Parking ERG projects are required to have a minimum of 20% equity in the Project. The Applicant is injecting \$5.05 million of equity towards the Project that equates to 20% of total project costs. Based on the Pro forma submitted by the applicant 1% of eligible cost are attributed to non-parking components of the project and 99% of the eligible cost are attributed to parking components of the project. For a Mixed-Use Parking Project the maximum reimbursement shall equal up to 100% of the actual eligible costs of the parking component and 40% of the actual eligible costs of the non-parking component of the project. Eligible parking costs of \$24.4 million were used in the calculation of the award due to the majority of the project costs being attributed to the parking component of the project and the Applicant’s requested Mixed-Use Parking ERG of \$20 million. The Applicant is eligible for a maximum ERG of 100% of parking costs, however; an ERG of \$20 million is being recommended for approval

Gap Analysis

EDA staff has reviewed the application to determine if there is a shortfall in the project development economics pertaining to the return on the investment for the developer and their ability to attract the required investment for this project. Staff analyzed the pro forma and projections of the project and compared the returns with and without the Mixed-Use Parking ERG over 11 years (one year to build and 10 years of cash flow). Due to the Project being an infrastructure component of the overall Enterprise the cost approach was utilized to derive the terminal (sale) value in the calculation of IRR. The cost approach assumes that the beginning value of the parking facility is equal to its total construction costs. Then, an assumption is made to determine a reasonable sale value at the end of the ten year hold period. In this case, we assume the parking facility has a useful life of 30 years and will be depreciated using the straight line method. The terminal value used in the IRR Without ERG calculation is derived by subtracting ten years of straight line depreciation from the beginning value.

Without ERG	With ERG
Equity IRR (5.47) %	Equity IRR 7.21 %

As indicated in the chart above, the project would not otherwise be completed without the benefit of the ERG. **With the benefit of the ERG, the Equity IRR is 7.21% which is significantly below the Hurdle Rate Model provided by EDA’s contracted consultant Jones Lang LaSalle which indicates a maximum IRR of 15.51% for a project located in the City of Clifton.**

Other Statutory Criteria

In order to be eligible for the program, the Authority is required to consider the following items:

The economic feasibility and the need of the redevelopment incentive agreement to the viability of the project.

The Project poses a funding gap and the development of this parking structure is likely not to happen without the EDA's assistance. The Applicant could demonstrate a shortfall in the financing structure without being awarded the Mixed-Use Parking ERG credits.

The Authority is in receipt of a Market Feasibility Analysis prepared by Langan Engineering, a third-party consultant, dated May 29, 2015 that shows there will be a strong demand for parking due to the development of the medical school. The analysis demonstrates the continued market demand for the Project and supports the financial assumptions included in the project pro-forma.

The Applicant, Kingsland Street Urban Renewal LLC, was formed as a joint venture by two long-time New Jersey based nonprofit institutions: Seton Hall University and Hackensack University Medical Center ("HUMC"). These institutions are committed to the establishment of a new School of Medicine located at the former Roche, Inc. campus ("SOM Project"). Seton Hall and HUMC have dedicated considerable resources to the SOM Project. The Mixed-Use Parking Project is a critical infrastructure component designed to meet the parking needs of the SOM Project, as well as Seton Hall University's College of Nursing and School of Health and Medical Sciences which will be relocated from Seton Hall's main campus to the Clifton/Nutley satellite campus. A proposed pro forma was submitted with the original Mixed Use Parking Project application as well as the Certification of Seton Hall and HUMC that the Mixed-Use Parking project has a financing gap. The proposed pro forma financing plan illustrates how Seton Hall and HUMC intend to finance the Mixed-Use Parking Project relying upon the award of tax credits. This is consistent with the ERG statute which recognizes the need to subsidize structured parking projects for nonprofit schools of medicine aligned with an independent institution of higher education and a nonprofit hospital system. (See NJSA 52:27D-489f).

The Project appears to be economically feasible based on the track record of the Applicant and their development team as well as the committed funding sources for the entire cost budget which is available to this project.

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 Clifton, an urban aid municipality. Clifton is ranked number 426 out of 566 municipalities per the ranking of distress in New Jersey. The greater Clifton area has suffered from population declines, poverty, high crime rates, and overall negative trends over the past several decades.

Hoffman-LaRoche, a Swiss drug maker, which located its U.S. corporate headquarters at the enterprise site for more than 80 years closed the its campus in 2012 shedding 1,000 jobs in 2012. At its peak the company employed approximately 10,000 employees at the site. The closure of the site has negatively affected the tax revenues of both Nutley and Clifton.

The Authority is in receipt of a letter of support for the Project and Enterprise from the Mayor of Clifton. The Enterprise will be in both in Nutley and Clifton who both have passed ordinances and a redevelopment agreement supporting the proposed development of the Enterprise.

Clifton is a Distressed Municipality and has suffered significant negative impacts from the closure of the Roche, Inc. manufacturing facility and the resultant loss of tax revenues and economic activity. The Applicant's proposed financing plan identifies the estimated PILOT payments to be made to Clifton for the garage portion of the overall Enterprise. In addition to the direct benefit to Clifton from the PILOT payments, the Mixed-Use Parking Project is an integral component of the overall Enterprise, which will generate hundreds of permanent jobs and construction jobs, millions of dollars of capital investment, and the creation of a vibrant university campus with over 2,000 students and faculty. This will result in positive economic activity in Clifton, Nutley and neighboring communities.

Recommendation

Authority staff has reviewed the application for Kingsland Street Urban Renewal, LLC and finds that it is consistent with eligibility requirements of the Act. It is recommended that the Members approve and authorize the Authority to issue an approval letter to the Applicant.

Issuance of the Mixed-Use Parking ERG tax credits is contingent upon the Applicant meeting the following conditions:

1. Financing commitments for all funding sources for the Project consistent with the information provided by the Applicant to the Authority for the Mixed-Use Parking ERG, and
2. Evidence of site control and site plan approval for the Project within six months of approval; and
3. Copies of all required State and federal government permits for the Project and copies of all local planning and zoning board approvals that are required for the Project.

Tax Credits shall be issued upon:

1. Completion of construction and issuance of a Certificate of Occupancy (no later than July 28, 2021; and
2. Submission of a detailed list of all eligible costs, which costs shall be certified by a CPA and satisfactory to the NJEDA;

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

Total Estimated Eligible Project Costs: \$24,373,833

Eligible Tax Credits and Recommended Award: 100% of actual eligible Parking costs, not to exceed \$20,000,000 to be paid over ten years.



Timothy Lizura
President and Chief Operating Officer

Prepared by: Matt Boyle

GROW NEW JERSEY ASSISTANCE PROGRAM (GROW NJ)

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY – GROW NEW JERSEY ASSISTANCE PROGRAM**

As created by statute, the Grow New Jersey Assistance (Grow NJ) Program is available to businesses creating or retaining jobs in New Jersey and making a qualified capital investment at a qualified business facility in a qualified incentive area. Applications to the Grow NJ Program are evaluated to determine eligibility in accordance with P.L. 2013, c. 161 and as amended through the “Economic Opportunity Act of 2014, Part 3,” P.L. 2014, c. 63, based on representations made by applicants to the Authority. Per N.J.S.A. 34:1B-242 et seq./N.J.A.C. 19:31-1 and the program’s rules, applicants must employ a certain number of personnel in retained and/or new full-time jobs at a qualified business facility and make, acquire or lease a capital investment equal to or greater than defined thresholds in order to be eligible for tax credits. In addition to satisfying these statutorily-established job and capital investment requirements, applications undergo a material factor review to verify that the tax credits are material to the project advancing in New Jersey. Applications are also subject to a net benefit analysis to verify that the anticipated revenue resulting from the proposed project will be greater than the incentive amount. Credits are only certified for use annually and proportionally based on actual job performance during that year and an applicant is subject to forfeiture and recapture in event of default.

APPLICANT: F & S Produce Co., Inc. P43888

PROJECT LOCATION: 730 Lebanon Road Deerfield Township Cumberland County

GOVERNOR’S INITIATIVES:

NJ Urban Fund Edison Innovation Fund Core Clean Energy

APPLICANT BACKGROUND:

F & S Produce Co., Inc. founded by Sam Pipitone in 1986 is a processor of fresh cut and individually quick frozen produce as well as specialty prepared refrigerated foods and purees for retail, foodservice and industrial customers throughout the Northeast and Mid-Atlantic region, including companies such as Campbells, Progresso and retail stores such as Wholefoods and Trader Joes. The company’s product offering has expanded through the years from vegetable cutting and processing to fresh cut fruits, such as watermelon, sliced apples, fresh cut vegetables and prepared salads and sandwiches that are sold to grocery stores. The company employs nearly 600 people in two 60,000 sq. ft. processing plants in Rosenhayn, NJ. The applicant has demonstrated the financial ability to undertake the project.

The applicant has utilized Authority financing previously via direct loans and the statewide loan pool program, the most recent in 2002, all of which have been paid in full.

MATERIAL FACTOR/NET BENEFIT:

Due to the significant growth of the company and the increasing demand for fresh products by consumers and packers, the company needs to expand. Under consideration is constructing a 100,000 sq. ft. facility in Deerfield Township, NJ or expanding in Allentown, PA by purchasing a 94,026 sq. ft. facility. The new plant will include the ability to process fruits and vegetables in the same building; the ability to cook meats/grains and pastas on site and include a USDA-compliant area for assembling prepared meals. The Grow NJ project includes the retention of 380 employees and the creation of 60 new jobs.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of F & S Produce Co., Inc. has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Salvatore A. Pipitone, Jr., the CEO of F & S Produce Co., Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of \$100 million over the 30 year period required by the Statute.

FINDING OF JOBS AT RISK:

The applicant has certified that the 380 New Jersey jobs listed in the application are at risk of being located outside the State on or before May 1, 2018, when the operations in the new plant in Pennsylvania would commence. This certification coupled with the economic analysis of the potential locations submitted to the Authority has allowed staff to make a finding that the jobs listed in the application are at risk of being located outside of New Jersey.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program’s rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

<u>Minimum Capital Investment Requirements</u>	<u>(\$/Square Foot of Gross Leasable Area)</u>
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	\$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	\$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	\$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	\$120

*Minimum capital investment amounts are **reduced by 1/3** in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, **Cumberland**, Gloucester, Ocean and Salem*

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

<u>Minimum Full-Time Employment Requirements</u>	<u>(New / Retained Full-time Jobs)</u>
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	25 / 35
All other businesses/industries	35 / 50

*Minimum employment numbers are **reduced by 1/4** in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, **Cumberland**, Gloucester, Ocean and Salem*

As an Industrial - New Construction Project for a manufacturing business in Cumberland County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria, outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	\$4,000,000	\$25,464,500
New Jobs	8	60
Retained Jobs	19	380

The Grow New Jersey Statute and the program’s rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Mega Project	Base award of \$5,000 per year for projects designated as a Mega Project	A Qualified Business Facility located in an Other Eligible Area that qualifies as a Mega Project by virtue of being in an Area in Need of Redevelopment prior to October 24, 2014 within Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, or Salem counties having a Capital Investment in excess of \$20,000,000 and having more than 150 employees created or retained.
Increase(s) Criteria		
Large Number of New/Retained Full-Time Jobs	An increase of \$500 per job for 251-400 new or retained jobs, \$750 per job for 401-600 new or retained jobs, \$1,000 for 601-800 new or retained jobs, \$1,250 for 801-1,000 new or retained jobs and \$1,500 for more than 1,000 new or retained jobs	The applicant is proposing to create/retain 440 Full-Time Jobs at the project location resulting in an increase of \$750.
Targeted Industry	An increase of \$500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.
Mega/GSGZ Ind. Project w/ Cap. Inv. In Excess of Min	An increase of \$1,000 per job for a Mega Project or a project located in a Garden State Growth Zone for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of \$5,000	The proposed project is a Mega Project. The proposed capital investment of \$25,464,500 is 536% above the minimum capital investment resulting in an increase of \$5,000 per year.

The Grow New Jersey Statute and the program's rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	<p>The Retained Full-Time Jobs will receive the lesser of:</p> <ul style="list-style-type: none"> - $\frac{1}{2}$ of the Grant Calculation for New Full-Time Jobs ($\frac{1}{2} * \\$11,250 = \\$5,625$) or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs ($\\$25,464,500 / 10 / (60 + 380) = \\$5,787$) <p>In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.</p>

<u>Grant Calculation</u>	
BASE GRANT PER EMPLOYEE:	
Mega Project	\$5,000
INCREASES PER EMPLOYEE:	
Large Number of New/Retained F/T Jobs:	\$ 750
Targeted Industry (Manufacturing):	\$ 500
Mega Ind. Project w/ Cap. Inv. In Excess of Min:	\$ 5,000
INCREASE PER EMPLOYEE:	<u>\$6,250</u>
PER EMPLOYEE LIMIT:	
Mega Project	\$15,000
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:	\$11,250
AWARD:	
New Jobs:	60 Jobs X \$11,250 X 100% = \$675,000
Retained Jobs:	380 Jobs X \$11,250 X 50% = <u>\$2,137,500</u>
Total:	\$2,812,500
ANNUAL LIMITS:	
Mega Project	\$30,000,000
TOTAL ANNUAL AWARD	<u>\$2,812,500</u>

PROJECT IS: Expansion Relocation
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: \$ 25,464,500
EXPECTED PROJECT COMPLETION: May 1, 2018
SIZE OF PROJECT LOCATION: 100,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION? New
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Industrial
CONSTRUCTION: Yes No

NEW FULL-TIME JOBS: 60
RETAINED FULL-TIME JOBS: 380
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015): 589
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: Rosenhayn
MEDIAN WAGES: \$ 39,000

GROSS BENEFIT TO THE STATE (OVER 30 YEARS, PRIOR TO AWARD):	\$128,140,347
TOTAL AMOUNT OF AWARD:	\$ 28,125,000
NET BENEFIT TO THE STATE (OVER 30 YEARS, NET OF AWARD):	\$100,015,347

ELIGIBILITY PERIOD: 10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to: 1) concur with the finding by staff that the jobs in the application are at risk of being located outside New Jersey on or before May 1, 2018; 2) approve the proposed Grow New Jersey grant to encourage F & S Produce Co., Inc. to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: J. Kenyon

APPROVAL OFFICER: T. Wells

submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of \$20.3 million over the 20 year period required by the Statute.

ELIGIBILITY AND GRANT CALCULATION:

Per the Grow New Jersey statute, N.J.S.A. 34:1B-242 et seq. and the program’s rules, N.J.A.C. 19:31-18, the applicant must:

- Make, acquire, or lease a capital investment equal to, or greater than, the minimum capital investment, as follows:

Minimum Capital Investment Requirements	(\$/Square Foot of Gross Leasable Area)
Industrial/Warehouse/Logistics/R&D - Rehabilitation Projects	\$ 20
Industrial/Warehouse/Logistics/R&D - New Construction Projects	\$ 60
Non-Industrial/Warehouse/Logistics/R&D – Rehabilitation Projects	\$ 40
Non-Industrial/Warehouse/Logistics/R&D – New Construction Projects	\$120
<i>Minimum capital investment amounts are reduced by 1/3 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem</i>	

- Retain full-time jobs **AND/OR** create new full-time jobs in an amount equal to or greater than the applicable minimum, as follows:

Minimum Full-Time Employment Requirements	(New / Retained Full-time Jobs)
Tech start ups and manufacturing businesses	10 / 25
Other targeted industries	25 / 35
All other businesses/industries	35 / 50
<i>Minimum employment numbers are reduced by 1/4 in GSGZs and in eight South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem</i>	

As an Industrial - Rehabilitation Project for a manufacturing business in Middlesex County, this project has been deemed eligible for a Grow New Jersey award based upon these criteria outlined in the table below:

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	\$660,000	\$1,225,000
New Jobs	10	110
Retained Jobs	25	0

The Grow New Jersey Statute and the program’s rules also establish criteria for the Grant Calculation for **New Full-Time Jobs**. This project has been deemed eligible for a Base Award and Increases based on the following:

Base Grant	Requirement	Proposed by Applicant
Distressed Municipality	Base award of \$4,000 per year for projects located in a designated Distressed Municipality	Woodbridge Township is a designated Distressed Municipality

Increase(s) Criteria		
Capital Investment in Excess of Minimum (non-Mega)	An increase of \$1,000 per job for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of \$3,000	The proposed capital investment of \$1,225,000 is 85.61% above the minimum capital investment resulting in an increase of \$3,000 per year.
Targeted Industry	An increase of \$500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.

The Grow New Jersey Statute and the program’s rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
All other projects	<p>The Retained Full-Time Jobs will receive the lesser of:</p> <ul style="list-style-type: none"> - ½ of the Grant Calculation for New Full-Time Jobs (1/2 * \$7,500 = \$3,750) or - The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (\$1,225,000 / 10 / (110 + 0) = \$1,113) <p>In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.</p>

<u>Grant Calculation</u>			
BASE GRANT PER EMPLOYEE:			
Distressed Municipality			\$ 4,000
INCREASES PER EMPLOYEE:			
Capital Investment in Excess of Minimum (non-Mega):		\$ 3,000	
Targeted Industry (Manufacturing):		\$ 500	
INCREASE PER EMPLOYEE:			<u>\$ 3,500</u>
PER EMPLOYEE LIMIT:			
Distressed Municipality		\$11,000	
LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:			\$ 7,500
AWARD:			
New Jobs:	110 Jobs X \$7,500 X 100% =		\$825,000
Retained Jobs:	0 Jobs X \$1,113 X 100% =		<u>\$ 0,000</u>
	Total:		\$825,000
ANNUAL LIMITS:			
Distressed Municipality		\$ 8,000,000	
TOTAL ANNUAL AWARD			<u>\$825,000</u>

PROJECT IS: (X) Expansion () Relocation
ESTIMATED ELIGIBLE CAPITAL INVESTMENT: \$1,225,000
EXPECTED PROJECT COMPLETION: July 1, 2017
SIZE OF PROJECT LOCATION: 33,000 sq. ft.
NEW BUILDING OR EXISTING LOCATION? Existing
INDUSTRIAL OR NON-INDUSTRIAL FACILITY? Industrial
CONSTRUCTION: (X) Yes () No

NEW FULL-TIME JOBS: 110
RETAINED FULL-TIME JOBS: 0
STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2015): 0
CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY: N/A
MEDIAN WAGES: \$ 22,360

GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD): \$ 28,512,628
TOTAL AMOUNT OF AWARD: \$ 8,250,000
NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD): \$ 20,262,628

ELIGIBILITY PERIOD: 10 years

CONDITIONS OF APPROVAL:

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within six months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

APPROVAL REQUEST:

The Members of the Authority are asked to approve the proposed Grow New Jersey grant to encourage New Classic Cooking LLC to increase employment in New Jersey. The recommended grant is contingent upon receipt by the Authority of evidence that the company has met certain criteria to substantiate the recommended award. If the criteria met by the company differs from that shown herein, the award amount and the term will be lowered to reflect the award amount that corresponds to the actual criteria that have been met.

DEVELOPMENT OFFICER: C.Fuentes

APPROVAL OFFICER: S. Novak



MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and Chief Operating Officer

DATE: January 10, 2017

SUBJECT: JP Morgan Chase & Co.

Purpose:

This memorandum addresses the legal matters of JP Morgan Chase & Co. (JP Morgan) related to the company's pending Grow New Jersey modification.

Background:

JP Morgan Chase & Co., founded in 1799 and based in New York, employs approximately 242,000 employees and provides various financial services worldwide. The company operates through four segments: Consumer & Community Banking, Corporate & Investment Bank, Commercial Banking, and Asset Management.

Analysis of Litigation as Grounds for Possible Disqualification:

Pursuant to the Authority's regulations, N.J.A.C. 19:30-2-1 et seq., criminal convictions, violations of certain laws and guilty pleas can serve as the basis for disqualification or debarment.

Listed below are the relevant actions relating to the applicant and the fine assessed as reviewed by staff with guidance from the Attorney General's Office:

The European Commission fines JP Morgan Chase, a total of over € 337 million (over \$355 million) for participating in a cartel in euro interest rate derivatives.

On December 7, 2016, JP Morgan, along with several other banks, were fined by the European Commission for having colluded on euro interest rate derivative pricing elements, and exchanged sensitive information, in breach of European Union antitrust rules.

The Commission's investigation found that there was a cartel in place between September 2005 and May 2008 in which the participating traders of the banks were in regular contact through corporate chat-rooms or instant messaging services. The traders' aim was to distort the normal

course of pricing components for euro interest rate derivatives. They did this by telling each other their desired or intended EURIBOR (Euro Interbank Offered Rate) submissions and by exchanging sensitive information on their trading positions or on their trading or pricing strategies.

In essence, the banks colluded instead of competing with each other on the euro derivatives market. This market is very important not only to banks but also to many companies, which use euro interest rate derivatives to hedge their financing risk.

Mitigating Factors:

JPMorgan Chase maintains that, despite the Commission's finding, the company did not engage in any wrongdoing with respect to the EURIBOR benchmark. JPMorgan Chase will continue to vigorously defend itself against these allegations, including through possible appeals to the European courts.

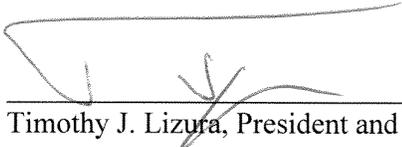
Several mitigating factors provided by the applicant regarding the conduct described in this memorandum are worthy of consideration. They are as follows:

Since 2012, the firm has made significant enhancements to the controls around its benchmark submissions, including:

- Provided benchmark submission-specific policies and procedures, including the Global Policy Governing Communications and Conflicts of Interest Related to Interbank Reference Rate Submissions, and the EURIBOR and EONIA Submission Policy – EMEA.
- Established pre-submission supervisory review before they are entered, including on an exception basis whenever they would vary by a certain amount from prior submissions.
- Implemented monitoring of such submissions after entry against transactions and/or the published consensus benchmark rate with certain variances being reported to the supervisor for review.
- Enhanced monitoring of submitter and reviewer voice and e-communications, including random review of a certain volume of voice communications and the use of key-word filters of e-communications.
- Introduced internal audits and submitted to external audits for certain submission processes.
- Expanded annual training of submitters, reviewers, and derivative traders, including the Code of Conduct, Antitrust and Competition Policy – Global, and other relevant policies including those referenced above.

Recommendation:

Staff has performed a review of these actions with guidance from the Attorney General's office and weighed the seriousness of the offenses in conjunction with the mitigating factors. Staff does not believe disqualification is warranted.



Timothy J. Lizura, President and COO

Prepared by: Marcus Saldutti

**GROW NEW JERSEY ASSISTANCE PROGRAM (GROW NJ)
MODIFICATIONS**



MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: January 10, 2017

SUBJECT: Stericycle, Inc. (“Stericycle”) – Modification
\$2,940,000 Grow NJ – P38819

Request:

Stericycle is requesting a 6 month extension of its deadline to meet the approval conditions from January 14, 2017 to July 14, 2017, and a six-month extension from July 14, 2017 to January 14, 2018 to complete the project and certify its capital investment and employees.

As staff has already provided two years of extensions to meet the approval conditions, and one six-month extension to certify the capital investment and employees pursuant to the delegation approved by the members in December, 2013, board action is required to approve these extensions.

Background:

On January 14, 2014, the members approved a \$2,940,000, 10 year Grow NJ tax credit to incent Stericycle to expand its New Jersey operations and construct a 20,000 sf industrial medical waste treatment facility located at 75 Crows Mill Road and 100 Bayview Avenue, Woodbridge, Middlesex County. Estimated capital investment to complete the project is \$4,500,000. Upon completion, the company proposes it will create 42 new full-time employees.

Subsequent to the Grow NJ approval, the company began working with the New Jersey Department of Environmental Protection (“NJDEP”) to secure the required permits to construct and operate the facility. As the facility is the first of its kind in the state, the permitting process took longer than originally anticipated.

Due to the delay, the company was unable to establish site control or obtain site plan approval by the original January 14, 2015 deadline to meet the conditions of approval. Because the company demonstrated continuing progress toward obtaining the NJDEP permits and completing the project, staff provided extensions to meet the approval conditions under the December 2013 delegation for two years, through January 14, 2017. Additionally, under the same delegations, staff provided a six-month extension from January 14, 2017 to July 17, 2017 to complete the project and certify capital investment and employees.

The company has now received the permits and is requesting an additional six-month extension to July 14, 2017 to satisfy its conditions to maintain approval as well as a six-month extension to January 14, 2018 to complete the construction, install machinery and hire employees.

Staff believes the applicant can fulfill the approval conditions and certify the capital investment within the proposed timeline and is requesting the members' consent to the extensions to allow Stericycle to fulfill the approval conditions and complete the project.

Recommendation:

Consent to a six-month extension from January 14, 2017 to July 14, 2017 to submit the conditions of approval, and a six-month extension from July 14, 2017 to January 14, 2018 to complete and certify the project.



Prepared by: John Shanley

BOND PROJECTS

BOND RESOLUTIONS



MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

SUBJECT: 2016 Carryforward Request

DATE: January 10, 2017

The State Treasurer allocated \$90,000,000 to the New Jersey Economic Development Authority out of the State's 2016 Private Activity Bond Cap.

The Authority may elect to carryforward any unused portion of the above noted 2016 Private Activity Bond allocation with the U.S. Department of Treasury.

Out of the \$90,000,000 allocation to the Authority, \$16,054,359.65 closed against the Cap, resulting in \$73,945,640.35 being unused and available for carryforward subject to the State Treasurer's approval.

The attached resolution approves the filing of the attached IRS Form 8328 by the President/Chief Operating Officer carrying forward unused 2016 Private Activity Bond Cap to be determined and approved by the State Treasurer for certain eligible exempt facility activities.

I recommend adoption of the attached Carryforward Resolution.

A handwritten signature in black ink is written over a solid horizontal line. The signature is cursive and appears to be 'T. Lizura'.

Prepared by: John J. Rosenfeld

Form **8328**
 (Rev. September 2011)
 Department of the Treasury
 Internal Revenue Service

**Carryforward Election of Unused
 Private Activity Bond Volume Cap**
 (Under Sections 146(f) and 142(k))

OMB No. 1545-0874

Enter the calendar year for which the election is made ► 2016

Part I Reporting Authority

State name for qualifying public educational facility bond or issuer's name for all other bonds		Reporting Authority's EIN	
New Jersey Economic Development Authority		2 2 2 0 4 5 8 1 7	
Number, street (or P.O. box if mail is not delivered to street address)	Room/suite	Report number	
36 West State Street, PO Box 990		9 01	
City or town, state, and ZIP code			
Trenton, NJ 08625-0990			

Caution: Part II is *only* for section 146(f) filers. Part III is *only* for qualifying public educational facility bond filers.

Part II Unused Volume Cap and Carryforward under Section 146(f)

Computation of Unused Volume Cap			
1	Total volume cap of the issuer for the calendar year	1	90,000,000.
2	Aggregate amount of private activity bonds issued to date that are taken into account under section 146 (see instructions)	2	16,054,359.65
3	Total amount of volume cap exchanged for authority to issue mortgage credit certificates (see instructions)	3	
4	Total amount of volume cap allocated to private activity portion of governmental bonds (see instructions)	4	
5	Add lines 2 through 4	5	16,054,359.65
6	Unused volume cap (subtract line 5 from line 1)	6	73,945,640.35

Purpose and Amount of Each Carryforward

7	Qualified student loan bonds	7	
8	Qualified mortgage bonds or mortgage credit certificates	8	
9	Qualified redevelopment bonds	9	
10	Exempt facility bonds:		
a	Mass commuting facilities (section 142(a)(3))	10a	
b	Water furnishing facilities (section 142(a)(4))	10b	13,945,640.35
c	Sewage facilities (section 142(a)(5))	10c	12,000,000.00
d	Solid waste disposal facilities (section 142(a)(6))	10d	12,000,000.00
e	Qualified residential rental projects (section 142(a)(7))	10e	12,000,000.00
f	Facilities for the local furnishing of electric energy or gas (section 142(a)(8))	10f	12,000,000.00
g	Local district heating or cooling facilities (section 142(a)(9))	10g	12,000,000.00
h	Qualified hazardous waste facilities (section 142(a)(10))	10h	
i	25% of bonds for privately owned high-speed intercity rail facilities (section 142(a)(11))	10i	
j	Qualified enterprise zone facility bonds (section 1394(a)-(e))	10j	
11	Total carryforward amount (add lines 7 through 10j) (not to exceed line 6)	11	73,945,640.35

Part III Unused Volume Cap and Carryforward Under Section 142(k) (Qualifying Public Educational Facility Bonds)

12	Total volume cap for the calendar year	12	
13	Total amount of bonds issued under section 142(k) for the calendar year	13	
14	Unused volume cap available for carryforward (subtract line 13 from line 12)	14	
15	Amount elected to carryforward (not to exceed line 14)	15	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of authorized public official _____ Date _____
 Timothy J. Lizura
 President and Chief Operating Officer
 Type or print name and title.

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 8328 is filed by the issuing authority of private activity bonds to elect to carry forward its unused volume cap for one or more carryforward purposes (see section 146(f)). If the election is made, bonds issued with respect to a specified carryforward purpose are not subject to the volume cap under section 146(a) during the 3 calendar years following the calendar year in which the carryforward arose, but only to the extent that the amount of such bonds does not exceed the amount of the carryforward elected for that purpose.

Also, Form 8328 is used by a state to carry forward the unused volume cap under section 142(k). A state may elect to carry forward an unused limitation for any calendar year for 3 calendar years following the calendar year in which the unused limitation arose under rules similar to the rules of section 146(f). However, this election can only be made for the issuance of qualified public educational facility bonds. For definitions related to qualified public educational facilities, see section 142(k).

When To File

Form 8328 must be filed by the earlier of: (1) February 15 of the calendar year following the year in which the excess amount arises, or (2) the date of issue of bonds issued pursuant to the carryforward election.

Once Form 8328 is filed, the issuer may not revoke the carryforward election or amend the carryforward amounts shown on this form.

Errors on this form cannot be corrected through an amended filing. The issuer may file a Voluntary Closing Agreement Program (VCAP) request to correct mathematical, typographical, and similar errors. See Notice 2008-31, 2008-11 I.R.B. 592, and IRM 7.2.3 for more information about VCAP.

Where To File

File Form 8328 with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Bonds Taken Into Account Under Section 146

All private activity tax-exempt bonds issued during a calendar year are taken into account under section 146 except:

1. Qualified veterans' mortgage bonds.
2. Qualified section 501(c)(3) bonds.
3. Exempt facility bonds for governmentally owned airports, docks and wharves, and environmental enhancements of hydroelectric generating facilities; also exempt facility bonds for qualified public educational facilities, qualified green building and sustainable design projects and qualified highway or surface freight transfer facilities.
4. 75% of any exempt facility bonds for privately owned high-speed intercity rail facilities; 100% if governmentally owned.
5. Exempt facilities bonds for governmentally owned solid waste disposal facilities. See section 146(h).
6. Bonds issued pursuant to a carryforward election. See section 146(f)(3)(A).
7. Certain current refundings. See section 146(f).
8. Certain bonds issued by Indian tribal governments for tribal manufacturing facilities. See section 7871(c)(3).
9. Tribal Economic Development Bonds, section 7871(f).
10. Gulf Opportunity Zone bonds, Midwestern Disaster Area bonds, Hurricane Ike Disaster Area bonds, section 1400N.
11. New York Liberty Zone bonds, section 1400L.
12. Enterprise Zone Facility bonds, section 1394(f).

Note. Enterprise Zone Facility bonds under section 1394(a)-(e) are subject to section 146. See Line 10j of Form 8328.

In addition, the private activity portion of governmental bonds is taken into account to the extent that the nonqualified amount exceeds \$15 million. See sections 141(b)(5) and 146(m).

Bonds Eligible for Carryforward Elections

• An election under section 146(f) may be made by the issuing authority for only the following types of tax-exempt bonds:

1. Qualified student loan bonds.
2. Qualified mortgage bonds (or mortgage credit certificates).
3. Qualified redevelopment bonds.
4. Exempt facility bonds taken into account under section 142(a).

5. Enterprise zone facility bonds taken into account under Regulations section 1.1394-1(m)(3).

6. Tax-Exempt Economic Development Bonds for the District of Columbia Enterprise Zone, section 1400A. Include any Tax-Exempt Economic Development Bond carryforward on Line 10j.

• An election under section 142(k) may be made by the state for qualified public educational facility bonds.

Specific Instructions

Parts I and II of this form must be completed to properly elect the carryforward provisions under section 146(f).

Parts I and III must be completed to properly elect the carryforward provisions under section 142(k).

Part I. Reporting Authority

Name. Enter the name of the state if filing under section 142(k). For all others, enter the name of the entity issuing the bonds.

Report number. This line is for IRS use only. Do not make an entry.

Part II. Unused Volume Cap and Carryforward Under Section 146(f)

Computation of Unused Volume Cap

Line 1. Enter the issuing authority's volume cap under section 146 for the current calendar year. Take into account any reduction in the amount of the volume cap under section 25(f) (relating to the reduction in the aggregate amount of qualified mortgage bonds where certain requirements are not met). See section 146(n)(2).

Line 2. Enter the total amount of private activity bonds issued by the issuing authority during the current calendar year that are taken into account under section 146. See **Bonds Taken Into Account Under Section 146.**

Line 3. Enter the total amount of qualified mortgage bonds the issuing authority has elected not to issue under section 25(c)(2)(A)(ii) during the current calendar year, plus the reduction under section 25(f) for that calendar year. See section 146(n).

Line 4. Enter the total amount of volume cap allocated by the issuer to the private activity portion of governmental bonds. See sections 141(b)(5) and 146(m).

Purpose and Amount of Each Carryforward

Enter the amount of unused volume cap the issuer elects to carry forward for each carryforward purpose and the total carryforward amount.

Part III. Unused Volume Cap and Carryforward Under Section 142(k) (Qualifying Public Educational Facility Bonds)

Complete lines 12 through 15 to compute the amount elected to carry forward under section 142(k).

Signature

Form 8328 must be signed by an authorized public official responsible for carrying forward unused volume cap.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** 7 hr., 24 min.
- Learning about the law or the form** 2 hr., 47 min.
- Preparing and sending the form to the IRS** 3 hr., 1 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

**RESOLUTION APPROVING CARRYFORWARD REQUEST
AUTHORIZING THE CHIEF EXECUTIVE OFFICER
TO MAKE CARRYFORWARD DETERMINATION**

WHEREAS, the State Treasurer has confirmed allocating to the Authority \$90,000,000 of the State's 2016 Private Activity Bond Volume Cap; and

WHEREAS, the Authority has issued \$16,054,359.65 in private activity bonds in 2016 and would like to carryforward out of the statewide reserve the unused portion of the Authority's 2016 allocation together with any additional allocation which the State Treasurer may determine and make available to the Authority for carryforward purposes;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Authority hereby approves and ratifies the filing of the attached 2016 IRS Form 8328 entitled "Carryforward Election of Unused Private Activity Bond Volume Cap" by the President/Chief Operating Officer subject to the State Treasurer's approval of unused 2016 Volume Cap for carryforward purposes.

2. This resolution shall take effect immediately, but no action authorized herein shall take force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor of the State of New Jersey for his approval unless during such 10-day period the Governor of the State of New Jersey shall approve the same in which case such action shall become effective upon such approval, as provided by the Act.

DATED: January 10, 2017

PUBLIC HEARING ONLY

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM - (PREMIER LENDER)**

APPLICANT: ACMY, LLC

P43675

PROJECT USER(S): Trans-Packers Services Corp. *

* - indicates relation to applicant

PROJECT LOCATION: 4100 New Brunswick Ave Piscataway (T)

Middlesex

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

APPLICANT BACKGROUND:

ACMY, LLC is wholly owned by Lester Weiss, and will acquire and lease space to its related operating company, Trans-Packers Services Corp. Founded in 1969 by Daniel Weiss, now also owned and operated by Lester, Monica, and Selma Weiss, Trans-Packers Services Corp. is a privately held contract packaging company located in Brooklyn, NY. The applicant is primarily engaged in the business of blending, packaging, pouching, bottling and canning dry food and non-food products, powders, particulates and liquids for retail, institutional, industrial and military customers.

Trans-Packers Services Corp. will relocate its entire existing operation from its current location in Brooklyn to Piscataway, NJ. The project will include the purchase of a building, equipment and renovations. The applicant intends to also apply for a direct loan from the EDA in the amount of \$2,000,000.

APPROVAL REQUEST:

Authority assistance will enable the applicant to acquire and renovate a 95,483 sq. ft. building on 11.72 acres of land as well as pay costs of issuance. The difference between the project costs and the bond amount is anticipated to be funded through a direct loan from the EDA, and the applicant's equity.

This project is being presented at the January 10, 2017 Board Meeting for a Public Hearing Only.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$7,850,000
Equipment Lease	\$1,000,000
Renovation of existing building	\$950,000
Working capital	\$300,000
Cost of Issuance	\$58,200
Legal fees	\$30,000
Finance fees	\$30,000
Accounting fees	\$10,000
TOTAL COSTS	\$10,228,200

JOBS: At Application 0 Within 2 years 140 Maintained 0 Construction 7

PUBLIC HEARING: 01/10/17 (Published 12/27/16) **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi,
DEVELOPMENT OFFICER: M. Athwal **APPROVAL OFFICER:** D. Poane

LOANS/GRANTS/GUARANTEES

LOCAL DEVELOPMENT FINANCING FUND

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

APPLICANT: The Hibbert Company P42920
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: 400 Pennington Ave Trenton City (T/UA) Mercer
GOVERNOR'S INITIATIVES: (X) Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

The Hibbert Company is a third generation, privately owned business founded in and still headquartered in Trenton since 1881. Hibbert provides comprehensive marketing services including fulfillment, literature and premium distribution as well as direct marketing and database management to a diversified base of Fortune 500 clients in the US with heavy emphasis in the pharmaceutical sector.

Hibbert was approved on 6/14/16 for a Grow NJ tax credit under P #42476 in the amount of \$33.67 million. The incentive is predicated on retaining 259 jobs in NJ and making a capital investment of \$10.1 million (primarily renovations as well as equipment, fixtures and soft costs) at their 260,000 square foot Pennington Avenue plant.

Marquette Business Credit SPE 1, LLC has committed to provide a \$3 million term loan with the expectation that NJEDA will provide an additional \$2 million term loan in a subordinated position to fund a portion of the estimated \$10.1 million in project costs.

APPROVAL REQUEST:

Approval is requested for a \$2 million direct loan from the Authority under the Local Development Financing Fund.

FINANCING SUMMARY:

LENDER: NJEDA
AMOUNT OF LOAN: \$2 million
TERMS OF LOAN: Fixed at time of closing at the five-year UST or 2%, whichever is greater, plus 150 basis points. Rate will be reset for an additional five years at the five year anniversary; 10-year term with a 15-year amortization. Monthly payments of principal plus interest.

PROJECT COSTS:

Renovation of existing building	\$6,449,930
Furniture and Fixtures	\$1,496,250
Purchase of equipment & machinery	\$1,328,734
Technology and Networking	\$600,000
Engineering & architectural fees	\$250,000
TOTAL COSTS	\$10,124,914 *

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

JOBS: At Application 259 Within 2 years 0 Maintained 259 Construction 50

DEVELOPMENT OFFICER: K. Hart

APPROVAL OFFICER: M. Conte

CAMDEN ECONOMIC RECOVERY BOARD



To: Members of the Board

From: Timothy Lizura, President and Chief Operating Officer

Date: January 10, 2017

Subject: Coopers Hill Housing Development, LLC and Cooper-Grant Neighborhood Association
\$3,584,260 Camden ERB Recoverable Grant (P20891) - **MODIFICATION**

Request

Consent to:

1. Restructure the \$3,584,260 Camden ERB Recoverable grant into two separate soft loans:
 - a. A \$1,406,781 soft loan to Coopers Hill Housing Development, LLC (“Coopers Hill”) to complete Phase 1B of the market rate housing project contemplated under the original approval; and
 - b. A \$2,177,479 Camden ERB soft loan to Cooper-Grant Neighborhood Association (“Cooper-Grant”) for the renovation of 26 market rate rental units in the historic Pierre Building.
2. Allow an exception to exceed the \$60,000 per unit maximum ERB assistance by \$23,749, and to allow ERB funds to be used for construction financing, pursuant to Section 7 of the ERB Guideline to Program Funds.

Background

In 2008 and 2009, the Camden ERB and the Members of the Authority approved a \$3,584,260 Residential Neighborhood Improvement Fund Recoverable Grant to Coopers Hill to subsidize phases 1A and 1B of a market rate for sale housing development to be built by M & M Development, LLC of Newark, NJ. Phase 1B was completed in 2011 and consists of a condominium with 25 new residential units. Currently, 20 homes in this phase have been sold and 3 are under agreement of sale. Phase 1A, however, did not proceed as planned as the developer was not able to obtain site plan approval, and as such a new property was identified to replace the original site.

In 2014, the City selected M&M Development, LLC (“M&M”) as the designated redeveloper of the historic Pierre Building in downtown Camden. Located at 302-306 Cooper Street, this Art Deco building once contained 42 small apartments. The renovation will provide 32 apartments adjacent to the Rutgers University campus, including 6 affordable rental housing units and 26

market rate rental housing units. Downtown Works Urban Renewal Housing Co. LLC (“Downtown Works”) was formed to own the Pierre Building and is affiliated with M&M.

In 2015, the ERB and EDA approved a change in the project scope to the Pierre Building. In 2016, the ERB and EDA approved a change in project funding sources to include historic tax credits and extended the deadline to December 31, 2016 for M&M to obtain financing commitments.

In August 2016, EDA approved \$2,706,272 of ERG tax credits to Downtown Works and Cooper-Grant for the Pierre Building project.

Since that time the developer has obtained financing commitments and is planning to start construction in early 2017.

The existing ERB recoverable grant to Coopers Hill will, upon closing of the modification, be bifurcated into two soft loans as shown on the attached Exhibit. \$1,406,781 of the ERB funding will be a soft loan to Cooper Hill for the Phase 1B condominium. The ERB funds will be used to repay a portion of the construction financing from NJ Housing Finance and Mortgage Agency. Terms and repayment of this soft loan will remain as originally approved with no principal and interest payments required by the Applicant. The existing subordinated homeowner mortgages will remain in place, and homeowners will be required to repay ERB with 100% of net sales proceeds in year one, then declining by 10% per year for units that are sold after initial purchase.

The remaining \$2,177,479 will be allocated to a new soft loan to Cooper-Grant to complete Phase 1A for the 26 market rate rental units. Cooper-Grant will advance the ERB funding to Downtown Works in form of a mortgage loan on the same terms as the ERB soft loan. The terms of the soft loan will be 10 years, with no principal or interest required, as the project does not have sufficient cash flow to repay the ERB funding, which is consistent with ERB Program Guidelines. Per Historic Tax Credit regulations deferred developer fee must be collected within a 15-year period after project completion. Structuring the ERB as a soft loan with principal and interest payments will prevent the collection of the deferred developer fee within 15 years. Repayment will be required, however, if the building is sold within ten years from the date of certificate of occupancy. If a sale occurs during that period, the repayment will be 100% of net sales proceeds of sale in year one of the 10-year term, and declining at 10% per year thereafter. The soft loan will be secured by a junior mortgage on the property subordinate to the NJFMA and sellers note, as well as other funding sources. Downtown Works will provide its guarantee.

Sources and uses of project financing are as follows:

<i>Sources of Financing</i>	<i>Amount</i>
Construction/Perm Loan: HMFA	\$3,812,782
ERG Funds	\$2,020,320
Sellers Note: CRA	\$800,000
ERB Funds	\$2,177,479
Equity:	

Deferred Developer Equity	\$1,053,519
Historic Tax Credit Equity	\$1,884,074
Total	\$11,748,174

<i>Uses</i>	<i>Total Project Costs</i>
Acquisition of Land and Buildings	\$1,200,000
Construction & Site Improvements	\$6,734,266
Professional Services	\$776,587
Financing & Other Costs	\$956,892
Contingency	\$730,950
Development Fee	\$1,349,479
TOTAL USES	\$11,748,174

Staff has reviewed the request for consistency with the Municipal Rehabilitation and Recovery Act, P.L. 2002 C. 43 and the Strategic Revitalization Plan, adopted by the Board at its June 20, 2003 meeting, and affirms that the projects meet the eligibility statutory requirements to enhance and revitalize the City of Camden, with the exceptions noted below:

Due to deed restrictions required by the Residential Economic Redevelopment and Growth Grant Program (“ERG”) and funding provided by New Jersey Housing and Mortgage Finance Agency (“NJHMFA”), 20%, or six units, must be deed restricted and do not qualify for market rate housing funding through ERB. The construction of the six deed restricted units will not be covered by the proposed fund reallocation, and subsequent soft loan. Per the ERB guidelines, the remaining 80% or 26 units will be market rate rental housing, and as such will not be deed restricted.

ERB guidelines for market rate housing allow for funding of up to \$60,000 per unit. However, this limit can be exceeded in certain circumstances. For the Pierre Building, the 26 market rate housing units will exceed the limit by \$23,749 per unit. The excess cost per unit appears to be reasonable as the cost of acquisition of the building of \$1.2 million is supported by an appraisal. Other funding sources are insufficient for the project to proceed, and as a historic building in downtown Camden, the project has higher costs than a newer project. The project has a strong public purpose including the support and designation as a redevelopment area by the City of Camden, and will help with downtown development.

Additionally, per ERB guidelines, when funding construction, there must be a state organization or senior lender monitoring the project. In this case, NJHMFA will be monitoring the construction of this project.

Recommendation

Consent to:

1. Restructure the \$3,584,260 Camden ERB Recoverable grant into two separate soft loans:
 - a. A \$1,406,781 soft loan to Coopers Hill to complete Phase 1B of the market rate housing project contemplated under the original approval; and

- b. A \$2,177,479 Camden ERB soft loan to Cooper-Grant for the renovation of 26 market rate rental units in the historic Pierre Building.
2. Allow an exception to exceed the \$60,000 per unit maximum ERB assistance by \$23,749, and to allow ERB funds to be used for construction financing, pursuant to Section 7 of the ERB Guideline to Program Funds.



Timothy Lizura
President and Chief Operating Officer

Prepared by: H. O'Connell/D. Weick

January 10, 2017

Coopers Hill Housing Development, LLC and Cooper-Grant Neighborhood Association
P20891

Modification Exhibit			
	Current	Proposed	Proposed
Borrower	Cooper's Hill	Cooper's Hill	Coopers-Grant
Type	Soft Loan	Soft Loan	Soft Loan
Amount	\$3,584,260	\$1,406,781	\$2,177,479
Term	10 years from completion	10 years from completion	10 years from completion
Interest	0%	0%	0%
Repayment Terms	No principal or interest; repayment to be 100% of net sales proceeds of condos declining by 10% per year for units that are sold after initial purchase	No principal or interest; repayment to be 100% of net sales proceeds of condos declining by 10% per year for units that are sold after initial purchase	No principal or interest; repayment to be 100% of net sale proceeds declining by 10% per year, during years 1- 10 after issuance of Certificate of Occupancy
Security	3rd mortgage, subordinate to first purchase money mortgage with lender, and HMFA second mortgage	3rd mortgage, subordinate to first purchase money mortgage with lender, and HMFA second mortgage	3rd mortgage, subordinate to CRA seller note, and HMFA second mortgage
Disbursements	Upon sale of units	Upon sale of units	To be used during construction with monitoring by NJHMFA
Units Financed**	Condo units to be sold to individual owners	Condo units to be sold to individual owners	26 market rate rental units in a 32-unit apartment building*

* Based on ERB funding of \$2,177,000, the per unit funding amount is \$83,730.77, for a per unit excess of \$23,730.70 as compared to the \$60,000 per unit guideline.

** Approval already received for purchase of Pierre Building and change of project scope.

PETROLEUM UNDERGROUND STORAGE TANK (PUST)



MEMORANDUM

TO: Members of the Authority
FROM: Timothy J. Lizura, President/Chief Operating Officer
DATE: January 10, 2017
SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

UST Commercial Grants:

P42975 Augustine Rojas	\$ 413,013
P43418 Enterprises 46 Inc.	\$ 30,072
P43506 Mullica Hill Shell and Garage	\$ 374,294
Total	\$ 817,379

UST Residential Grants:

P43387 Adam Roller	\$ 12,260
P42403 Richard C Martindale	<u>\$ 350,540</u>
Total	\$ 362,800

Total UST Funding – January 2017 **\$1,180,179**

Timothy Lizura

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

APPLICANT: Augustine Rojas

P42975

PROJECT USER(S): R&M Auto Repair *

* - indicates relation to applicant

PROJECT LOCATION: 175 New Brunswick Ave. Perth Amboy City (T/UA) Middlesex

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

APPLICANT BACKGROUND:

Between October 2011 and May 2013, Augustine Rojas, the owner of the project site, which is being operated as a gasoline service station, received an initial grant in the amount of \$53,650 under P29289 and a supplemental grant in the amount of \$132,107 under P37587 to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank was decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform a large scale groundwater, indoor air and sub-slab soil gas investigation.

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 aggregate supplemental grant funding in the amount of \$413,013 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$545,120, it exceeds the maximum staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$598,770. The project site is located in a Metropolitan Planning Area and eligible for grant funding up to \$1 million.

DEP oversight fee of \$41,301 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: \$413,013

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

PROJECT COSTS:

Remediation	\$413,013
NJDEP oversight cost	\$41,301
EDA administrative cost	\$250
TOTAL COSTS	\$454,564

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Enterprises 46 Inc

P43418

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 1620 Bergen Boulevard

Fort Lee Borough (N)

Bergen

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

APPLICANT BACKGROUND:

Between April 2002 and August 2007, Enterprises 46 Inc. received an initial grant in the amount of \$98,050 under P14198 and a supplemental grant in the amount of \$214,517 under P19252 to remove and replace four underground storage tanks in addition to performing the required remediation. The project site is a gasoline service station in Bergen County. The NJDEP has determined that the supplemental project costs are technically eligible to perform soil and groundwater investigation.

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 aggregate supplemental grant funding in the amount of \$30,072 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$244,589, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$342,639.

The NJDEP oversight fee of \$3,007 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: \$30,072

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

PROJECT COSTS:

Remediation	\$30,072
NJDEP oversight cost	\$3,007
EDA administrative cost	\$250
TOTAL COSTS	\$33,329

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Mullica Hill Shell and Garage P43506
PROJECT USER(S): Same as applicant * - indicates relation to applicant
PROJECT LOCATION: Route 77 and 581 Harrison Township (N) Gloucester
GOVERNOR'S INITIATIVES: () Urban () Edison () Core () Clean Energy

APPLICANT BACKGROUND:

Between May 2000 and March 2002, Mullica Hill Shell and Garage, received an initial grant in the amount of \$24,948 under P10711 and supplemental grant funding in the amount of \$100,758 under P10711s and P39871 to remove the underground storage tanks (USTs) and perform the required remediation. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional remedial activities at the project site.

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

APPROVAL REQUEST:

The applicant is requesting aggregate supplemental grant funding in the amount of \$374,294 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$475,052, it exceeds the maximum staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$500,000. The property is located in a Fringe planning area and is eligible for grant funding up to \$500,000.

The NJDEP oversight fee of \$37,429 is the customary 10% of the grant amount. This estimate assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund
AMOUNT OF GRANT: \$374,294
TERMS OF GRANT: No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act

PROJECT COSTS:

Remediation	\$374,294
NJDEP oversight cost	\$37,429
EDA administrative cost	\$500
TOTAL COSTS	\$412,223

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Adam Roller

P43387

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 126 Meisel Avenue

Springfield Township (N) Union

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

APPLICANT BACKGROUND:

Between April 2011 and May 2016, Adam Roller received an initial grant in the amount of \$13,843 under P34630 and supplemental grants totaling \$92,929 under P37819, P38481, P41096 and P42230 to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank was decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional remedial activities.

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 aggregate supplemental grant funding in the amount of \$12,260 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$105,189, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$119,032.

The NJDEP oversight fee of \$1,226 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: \$12,260

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Upgrade,Closure,Remediation	\$12,260
NJDEP oversight cost	\$1,226
EDA administrative cost	\$250
TOTAL COSTS	\$13,736

APPROVAL OFFICER: K. Junghans

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

APPLICANT: Richard C. Martindale

P42403

PROJECT USER(S): Martindale's Service Station *

* - indicates relation to applicant

PROJECT LOCATION: 122 Kinderkamack Rd. Park Ridge Borough (N) Bergen

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

APPLICANT BACKGROUND:

Between April 2001 and February 2010, Richard C. Martindale, owner of the project site, Martindale's Service Center, received an initial grant in the amount of \$134,719 under P10829 and supplemental grants totaling \$364,781 under P10829s, P16528, and P17873 to close, remove and upgrade two underground storage tanks (USTs) and perform groundwater and soil remediation. The NJDEP has determined that the supplemental project costs are technically eligible for additional soil and extensive groundwater investigation.

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

APPROVAL REQUEST:

The applicant is requesting aggregate supplemental grant funding in the amount of \$350,542 to fund the costs of four newly discovered USTs. Because the aggregate supplemental funding including this request is \$715,323, it exceeds the maximum staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$850,042. The project site is located in a Metropolitan Planning Area and therefore may be awarded up to \$1 million in grant funding.

The NJDEP oversight fee of \$35,054 is the customary 10% of the grant amount. This estimate assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF GRANT: \$350,540

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

PROJECT COSTS:

Remediation	\$350,542
NJDEP oversight cost	\$35,054
EDA administrative cost	\$500
TOTAL COSTS	\$386,096

APPROVAL OFFICER: K. Junghans

OFFICE OF RECOVERY

STRONGER NJ BUSINESS LOAN APPEALS



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Melissa Orsen
Chief Executive Officer

DATE: January 10, 2017

SUBJECT: Stronger NJ Business Loan Program Appeals – Herlihy & Young, LLC and Hobby Lobby Marine.

Pursuant to the appeal process approved by the Board at the June 10, 2014 Board meeting, applicants to the Stronger NJ Business Loan program may challenge the EDA’s decisions by submitting in writing to the EDA no later than 30 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned to each project to provide an independent review of the appeal.

The Hearing Officer’s review includes reviewing the appeal letter, the application and file, as well as speaking directly with the applicants and relevant Office of Recovery staff. The applicants have been sent the Hearing Officer’s report in advance of the Board Meeting. They have been given an opportunity to reach out directly to the Hearing Officer to discuss the decision, and have been notified of the date and time of the Board Meeting.

At this meeting, the Board is being asked to consider two appeals: Herlihy & Young, LLC and Hobby Lobby Marine. Attached to this memo you will find the Hearing Officer’s recommendations, the Hearing Officer’s letters to the applicants, the declination letters and the applicants’ appeals. I have reviewed the attached and I concur with the recommendation that the declinations under the Stronger NJ Business Loan Program for Herlihy & Young, LLC and Hobby Lobby Marine be upheld.

A handwritten signature in black ink, appearing to read 'Melissa Orsen', is written over a horizontal line.

Melissa Orsen

attachments



MEMORANDUM

TO: Melissa Orsen, Chief Executive Officer
Members of the Authority

FROM: Dina Antinoro
Hearing Officer

DATE: January 10, 2017

SUBJECT: Stronger NJ Business Loan Program Appeals
Herlihy & Young, LLC – 610795
Hobby Lobby Marine – 631441

Request:

The Members are asked to approve the Hearing Officer's recommendations to uphold the declinations of the Stronger NJ Business Loan applications for Herlihy & Young, LLC and Hobby Lobby Marine. Pursuant to the appeal process approved by the Board at the April 30, 2013 Special Board meeting, and revised at the June 10, 2014 Board Meeting, applicants to the Stronger NJ Business Loan program may challenge the EDA's decisions by submitting in writing to the EDA no later than 30 calendar days from the date of the denial, an explanation as to how the applicant has met the program criteria. A Hearing Officer is assigned by the CEO to each project to provide an independent review of the appeal. Dina Antinoro has fulfilled the role of Hearing Officer to review the following appeals and has completed the reviews with legal guidance from the Attorney General's Office.

The appeals have been reviewed and letters have been sent to the applicants with the Hearing Officer's recommendations. The applicants were notified in the letters that they have the opportunity to provide comments or exceptions directly to the Hearing Officer. The letters are attached to this memo.

Based on the review of the appeals submitted by the applicants and the analysis prepared by the initial review team from the EDA, the Hearing Officer recommends the following:

Business Name	Reason for Decline	Discussion
Herlihy & Young, LLC	1) The business failed the initial Net Cash Profit Test utilized by the Program to determine if the loan amount is reasonable and necessary, as required by the US Department of Housing and Urban Development. 2) The business did not successfully demonstrate compensating factors to substantiate that the loan amount is reasonable and necessary.	Applicant's financial documentation shows that the net cash profit of the business exceeded the requested loan amount, and multi-year documents show that the business's performance and revenue has improved steadily since the storm.
Hobby Lobby Marine	The business did not successfully demonstrate an unmet need.	Duplication of benefits calculations determined that the loan amount the applicant could potentially qualify for was less than amounts disbursed to the business by insurance.

Recommendation:

As a result of careful consideration of the above appeals in consultation with the Attorney General's Office, the recommendation of the Hearing Officer is to uphold the declinations of the Stronger NJ Loan applications for Herlihy & Young, LLC and Hobby Lobby Marine.

Prepared by: Dina Antinoro



January 3, 2017

In Reference to:
Stronger NJ Business Loan (SL) # 610795

Margerie Herlihy-Young
Herlihy & Young
228 Main Street
Toms River, New Jersey 08753

RE: Stronger NJ Business Loan Application

Dear Ms. Herlihy-Young:

My name is Dina Antinoro and I was appointed to serve as the Hearing Officer for your appeal under the Stronger NJ Business Loan Program (“Loan Program”).

By way of background, the New Jersey Economic Development Authority (“NJEDA”) reviewed and declined your application for a loan on May 13, 2016. The information you provided indicated that you are part owner of Herlihy & Young, LLC (“Herlihy & Young”), a law firm located in Toms River, New Jersey. As part of my review of your loan application and appeal, I have read your appeal letter, your application and file, and spoken with relevant Office of Recovery staff. This letter follows our telephone conversations on October 14 and October 31, 2016.

In accordance with 24 CFR §§570 et seq. – Community Development Block Grants, the United States Department of Housing and Urban Development (“HUD”) published “Allocations, Common Application, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery (“CDBG-DR”) Funds in Response to Hurricane Sandy”, 78 Fed. Reg. 14329 et seq. (March 5, 2013) (the “Published HUD Requirements”) which outlines the allocation of Sandy Relief funds and guidelines that recipient and sub-recipient agencies were to follow. As the NJEDA is the sub-recipient of this funding, the

NJEDA's Stronger NJ Business Loan is required to adhere to HUD regulations as well as federal regulations outlined by 24 CFR §§570 et seq.

Per HUD regulations, the New Jersey Department of Community Affairs ("DCA") published a CDBG Disaster Recovery Action Plan ("Action Plan"). The Action Plan states in section 4.3.2 that the Program is specifically open to small businesses, however, businesses "may be further limited based on additional criteria determined by NJEDA and outlined in program guidelines." Such additional criteria and guidelines can be found in the resolution ("Board Resolution") approved by the NJEDA's Board at its June 11, 2013 meeting.

In Herlihy and Young's original declination letter, you were informed that the business is ineligible for a working capital loan under the Loan Program for two reasons: 1) The business failed the initial Net Cash Profit Test utilized by the Program to determine if the loan amount is reasonable and necessary, as required by the U.S. Department of Housing and Urban Development. This test determined that the net cash profit of the business in 2014 exceeds the requested loan amount.; and 2) The business did not successfully demonstrate compensating factors to substantiate that the loan amount is reasonable and necessary, a requirement to move forward in the Program in the event of a failed Net Cash Profit Test. Evaluation of multi-year trends show that business performance has consistently improved since the storm. In light of this declination and by way of appeal, you expressed concerns as to why Herlihy and Young was originally declined.

Your June 9, 2016 appeal letter stated that the "NJEDA was negligent in reviewing the loan application as it did not utilize the correct time-period for evaluation of the loan, and did not act in a timely matter when addressing the loan application thus causing the loan to be denied". To address your first point and as I had explained during our telephone conversation on October 31, 2016, the time-period used for the evaluation of your application was Year 2014, financial documentation of which was requested in order to allow NJEDA staff working in Loan Eligibility and Underwriting to determine the financial health of the business, or rather, whether the business could qualify for a loan that it would then be able to repay. Providing updated financial documentation is required during the loan eligibility and underwriting process for all applicants.

While reviewing the business's project revisions and eligibility, Herlihy and Young's financial documents demonstrated that yearly revenues were not only increasing, but were in excess of the loan amount requested. For those reasons, the business was unable to qualify for a disaster-relief funded loan through the Stronger NJ Business Loan because disaster-relief funding is funding of last resort, and despite the hardship your business endured due to the storm, your business was able to recover on its own, as demonstrated by the updated financial documents.

To address the second point of your appeal letter, while the application did take some time to get through Eligibility and into Underwriting, the scope of the project had changed, at your request, from a yoga studio attached to your residence to a law office attached to your residence. When there are any changes to the scope of a project, NJEDA staff must reevaluate the project in its entirety. Due to this, the processing of your application may have been lengthier than some, but not to an extent unreasonable due to the circumstances of your application.

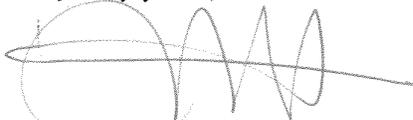
Based on my review as Hearing Officer, I find that Herlihy & Young, LLC was unable to demonstrate that it has overcome the reasons for which it was originally declined, as its financial documents have demonstrated that the business's revenues exceed the amount of a loan for which the business would qualify, indicating that the business may recover without the assistance of funding of last resort by way of a Stronger NJ Business Loan.

For the reasons above, I will be recommending that the appeal be denied by the NJEDA Board at its meeting on January 10, 2017.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is below.

After the NJEDA Board concludes its review and renders its decision, which is subject to a ten (10) day veto period by the Governor, we will notify you of that final action.

Very truly yours,



Dina Antinoro, Hearing Officer
(609) 858-6918
dantinoro@njeda.com

c: Melissa Orsen, Chief Executive Officer
Tim Lizura, President/Chief Operating Officer



May 13, 2016

In Reference to:
Stronger NJ Business Loan (SL) #610795

Certified and U.S. Postal Mail
Margarie Herlihy
Herlihy & Young LLC
498 Route 35 North, PO Box 1227
Normandy Beach, NJ 08739

Dear Mrs. Herlihy:

Thank you very much for applying for a Stronger NJ Business Loan. We sincerely appreciate the time your business invested in applying to the Program. The New Jersey Economic Development Authority ("EDA") has completed a review of your loan request. Based on the Program Guidelines we must adhere to, we regret that we are unable to provide your organization with a loan for the following reason(s):

- *The business failed the initial Net Cash Profit Test utilized by the Program to determine if the loan amount is reasonable and necessary, as required by the U.S. Department of Housing and Urban Development. This test determined that the net profit of the business in 2014 exceeds the requested loan amount.*
- *The business did not successfully demonstrate compensating factors to substantiate that the loan amount is reasonable and necessary, a requirement to move forward in the Program in the event of a failed Net Cash Profit Test. Evaluation of multi-year trends show that business performance has consistently improved since the storm.*

You may appeal this decision by submitting a written explanation addressing the reason for declination within 30 days of the date of this letter to the following address:

NJ Economic Development Authority
Attn: Office of Recovery
PO Box 990
Trenton, NJ 08625-0990



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

In addition to this program, the EDA has provided funds to local economic development organizations supporting loans to Sandy-impacted small businesses. We would like to make you aware of this additional relief that may be available to you. Please see the enclosed sheet containing profiles and contact information for these organizations and others that might be helpful.

Sincerely,

A handwritten signature in black ink, appearing to read 'Timothy J. Lizura', is written over a horizontal line. The signature is fluid and cursive.

Timothy J. Lizura
President & Chief Operating Officer

(H&Y)
Herlihy & Young
ATTORNEYS AT LAW

MARGARIE M. HERLIHY
mherlihy@herlihyandyoung.com

KEVIN E. YOUNG
Certified Criminal Trial Attorney
kyoung@herlihyandyoung.com

THADDEUS D. NIEMIEC
tniemiec@herlihyandyoung.com

June 9, 2016

Sent mail and email njeda@njeda.com

NJ Economic Development Authority
Office of Recovery
PO Box 990
Trenton, NJ 08625

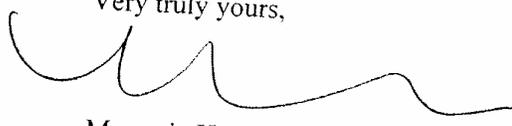
Re: SL #610795

Dear Sir/Madam:

Please consider this letter a formal appeal of the denial of loan request as referenced above. The NJEDA was negligent in reviewing the loan application as it did not utilize the correct time period for evaluation of the loan, and did not act in a timely manner when addressing the loan application thus causing the loan to be denied.

Thank you for your time and attention on this matter

Very truly yours,



Margarie Herlihy-Young
For the Firm

MMH:cm
Enclosure



January 3, 2017

In Reference to:
Stronger NJ Business Loan (SL) # 631441

Robert L. Tweer
Thomas Tweer
Hobby Lobby Marine
1423 Bay Avenue
Toms River, New Jersey 08753

RE: Stronger NJ Business Loan Application

Dear Mr. Tweer:

My name is Dina Antinoro and I was appointed to serve as the Hearing Officer for your appeal under the Stronger NJ Business Loan Program (“Loan Program”).

By way of background, the New Jersey Economic Development Authority (“NJEDA”) reviewed and declined your application for a loan on August 29, 2016. The information you provided indicated that you are part owner of Hobby Lobby Marine (“Hobby Lobby Marine”), a marina providing a plethora of nautical services located in Toms River, New Jersey. As part of my review of your loan application and appeal, I have read your appeal letter, your application and file, and spoken with relevant Office of Recovery staff. This letter follows our telephone conversation on September 19, 2016 as well as email correspondence during September and October 2016.

24 CFR §§570 et seq. – Community Development Block Grants, the United States Department of Housing and Urban Development (“HUD”) published “Allocations, Common Application, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery (“CDBG-DR”) Funds in Response to Hurricane Sandy”, 78 Fed. Reg. 14329 et seq. (March 5, 2013) (the “Published HUD Requirements”) outlines the allocation of Sandy Relief funds and guidelines that recipient and sub-recipient agencies must follow. As the NJEDA is the sub-recipient of this funding, the NJEDA’s Stronger NJ Business Loan is required to adhere to HUD regulations as well as federal regulations outlined by 24 CFR §§570 et seq.

Per HUD regulations, the New Jersey Department of Community Affairs (“DCA”) published a CDBG Disaster Recovery Action Plan (“Action Plan”). The Action Plan states in section 4.3.2 that the Program is specifically open to small businesses, however, businesses “may be further limited based on additional criteria determined by NJEDA and outlined in program guidelines.” Such additional criteria and guidelines can be found in the resolution (“Board Resolution”) approved by the NJEDA’s Board at its June 11, 2013 meeting.

In Hobby Lobby’s original declination letter, you were informed that the business is ineligible for a construction reimbursement loan under the Loan Program because Hobby Lobby was unable to demonstrate an unmet need. Specifically, the letter stated that the EDA conducted a Duplication of Benefits analysis which determined that the business received benefits from other sources for the same purposes as the loan you had applied for. In light of this declination and by way of appeal, you expressed concerns as to why Hobby Lobby was originally declined.

In terms of duplication of benefits, the Stronger NJ Business Loan Program guidelines state that “[t]o avoid any duplication of benefits, the entity must show unmet needs eligible for funding after accounting for funding received from other sources, including but not limited to private insurance, SBA and FEMA”. Proceeds received from insurance policies are verified by NJEDA staff in order to discern what type of insurance the entity had and what the proceeds were intended to cover. In order to qualify for disaster relief funding in the form of a Stronger NJ Business Loan, duplication of benefits calculations are performed to ensure that loan proceeds do not duplicate other disaster relief that a business has received. Duplication of benefits calculations are performed for every application that reaches that stage.

Your September 3, 2016 appeal letter stated that “there are four repairs that may be questionable as to whether they were covered by other sources or not but, the other three were not covered by another source. These repairs were paid out of pockets as insurance did not cover anything that was not attached the building.” While I understand your position in making this statement, please note that duplication of benefits calculations are made in regards to the amounts insurance beneficiaries received, rather than what the funds were used for after they are received by the beneficiary of the insurance policy.

Pursuant to the above considerations regarding duplication of benefits as a calculation that considers costs only and due to the nature of your construction loan application, because Hobby Lobby had applied for a construction reimbursement loan through the Stronger NJ Business Loan Program, the eligible loan amount that the business could possibly qualify for would cover the eligible costs for construction that took place between the date of the storm, October 29, 2012 until the date of your loan application, July 24, 2013. As I had previously informed you, Hobby Lobby’s documentation provided to the NJEDA for the purpose of these calculations demonstrated that the business’s eligible construction costs in that time period had totaled \$110,145.00, while the business’s disaster relief insurance proceeds applicable to construction totaled \$390,338.44. Thus, the

expenses for which reimbursement was applied for by means of the Stronger NJ Business Construction Reimbursement Loan were eligible to be covered by the insurance proceeds already received by the business. The business may have qualified for a loan amount totaling over \$390,338.44, not inclusive of that amount itself. Additionally, while overall construction costs may have totaled over \$390,338.44, because the application was specifically for a construction reimbursement loan, the only costs eligible to be considered for duplication of benefits calculations and reimbursement were those incurred between October 29, 2012 and July 24, 2013. Because you had stated in your appeal letter that damage occurred and had not been covered by insurance, I requested additional information regarding construction expenditures between October 29, 2012 and July 24, 2013 to try and assist Hobby Lobby in qualifying for the construction reimbursement loan applied for. To date, additional information regarding construction costs between October 29, 2012 and July 24, 2013 has not been provided for my consideration.

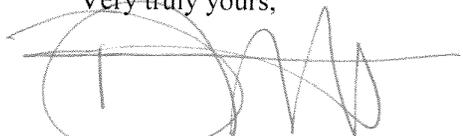
Based on my review as Hearing Officer, I find that Hobby Lobby Marine has failed to demonstrate that it has overcome the reason for which it was originally declined, as the Duplication of Benefits calculation demonstrates that insurance proceeds received by Hobby Lobby Marine exceed the construction costs of the eligibility period, thereby making Hobby Lobby Marine ineligible for a Stronger NJ Business Loan.

For the reasons above, I will be recommending that the appeal be denied by the NJEDA Board at its meeting on January 10, 2017.

If you have any comments or exceptions to this report, please contact me in advance of the above meeting. My contact information is below.

After the NJEDA Board concludes its review and renders its decision, which is subject to a ten (10) day veto period by the Governor, we will notify you of that final action.

Very truly yours,



Dina Antinoro, Hearing Officer
(609) 858-6918
dantinoro@njeda.com

c: Melissa Orsen, Chief Executive Officer
Tim Lizura, President/Chief Operating Officer



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

August 29, 2016

In Reference to:
Stronger NJ Business Loan (SL) #631441

Certified and U.S. Postal Mail
Robert L. Tweer
Thomas & Robert Tweer ET AL PTR
Hobby Lobby Marine
1423 Bay Avenue
Toms River, NJ 08753 N

Dear Mr. Tweer:

Thank you very much for applying for a Stronger NJ Business Loan. We sincerely appreciate the time your business invested in applying to the Program. The New Jersey Economic Development Authority ("EDA") has completed a review of your loan request. Based on the Program Guidelines we must adhere to, we regret that we are unable to provide your organization with a loan for the following reason(s):

- ***The business did not successfully demonstrate an Unmet Need.***

Construction expenses eligible for reimbursement through the Program must have accrued from the date of the storm through the date of the application. The EDA conducted a Duplication of Benefits Analysis which determined that the business received benefits from other sources for the purpose of construction prior to the application, ultimately satisfying the eligible construction financing needs of the business. Therefore, the business does not meet the qualifying criteria set forth in the in the Determination of Unmet Need Policy of the Program.

You may appeal this decision by submitting a written explanation addressing the reason for declination within **30 days** of the date of this letter to the following address:

NJ Economic Development Authority
Attn: Office of Recovery
PO Box 990
Trenton, NJ 08625-0990

In addition to this program, the EDA has provided funds to local economic development organizations supporting loans to Sandy-impacted small businesses. We would like to make you aware of this additional relief that may be available to you. Please see the enclosed sheet containing profiles and contact information for these organizations and others that might be helpful.

Sincerely,

Timothy J. Lizura
President & Chief Operating Officer



September 3, 2016

NJ Economic Development Authority
Office of Recovery
P O Box 990
Trenton, NJ 08625-0990

Attention: Mr. Timothy J. Lizura
Reference: Stronger N.J. Business Loan (SL) #631441

Dear Mr. Lizura,

I am writing in response to your form letter dated August 29, 2016, saying that our business does not meet the qualifying criteria for the unmet needs part of the program.

I have included a copy of the e-mail that was submitted by Timothy Trifeletti in reference to the construction part of the program which lists the items that were not covered by the working capital part of the loan. There are four repairs that may be questionable as to whether they were covered by other sources or not but, the other three were not covered by another source. These repairs were paid out of pockets as insurance did not cover anything that was not attached to the building.

We've come a long way but still haven't completed the repairs needed to finish up the marina. The economy is still soft and our customer base is still in the process of raising their houses as well as trying to move back in.

It's important to us that we recover the monies that were paid out for the bulkheading, fencing and the dumpsters needed to remove the debris.

I am requesting that you take another look at these items, as they add up a substantial amount of money that would help us a great deal to finish up our last marina repair project this fall.

If you have any questions my e-mail address is tom@hobbylobbymarine.com or my cell phone is 732-684-6702.

Sincerely,

Thomas G. Tweer

BOARD MEMORANDUM

**DELEGATED AUTHORITY APPROVALS
FOR INFORMATIONAL PURPOSES ONLY**



MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura, President and COO

DATE: January 10, 2017

SUBJECT: Projects Approved Under Delegated Authority –
For Informational Purposes Only

The following projects were approved under Delegated Authority in December 2016:

Direct Loan Program:

- 1) Tidewater North, LLC (P43694 & P43343), located in Carteret Borough, Middlesex County, is a real estate holding company formed to purchase the project property. The operating company, New York Popular, Inc. d/b/a Popularity Products, formed in 2002 to manufacture and wholesale apparel to chain stores, resort retailers and theme parks around the US, including branded merchandise utilizing licenses such as Lifeguard, NYPD, FDNY, Marilyn Monroe, and I Love NY. The Company was approved for a \$1,100,000 direct loan to purchase the project property. Wells Fargo Bank, N.A. will provide a \$5,400,000 tax exempt bond toward the acquisition and construction of the property, to purchase equipment and other soft costs. The Company plans to create 150 new positions within the next two years.

Premier Lender Program:

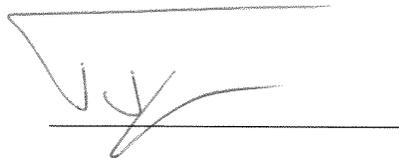
- 1) BF 227 Limited Liability Company (P43803), located in Montville Township, Morris County, is a real estate holding company formed to purchase the project property. The operating company, BBM Chocolate Distributors, Ltd., imports chocolates, candies and chips and private labeling to supermarkets and other food distributors in the Northeastern US. Wells Fargo, National Association approved a \$4,725,000 bank loan with a 26.46% (\$1,250,000) Authority participation. Proceeds will be used to purchase the project property. The Company currently has fifteen employees and plans to create five new positions within the next two years. SSBCI funds will be utilized for this project.

Small Business Fund Program:

- 1) Mahi Aashirwad LLC (P43525), located in Elizabeth City, Union County, is a real estate holding company seeking to purchase land and building in Elizabeth. The property is occupied by Narnarayan 1 Corporation, which leases the site to operate a Valero retail gas station and convenience store. The NJEDA approved a \$100,000 direct loan in conjunction with a \$300,000 loan from 1st Constitution Bank. The Company currently has two employees.

Stronger NJ Business Loan Program:

- 1) Clean Mat Services LLC (P39545), located in Roseland Borough, Essex County, was established in 2001 to specialize in cleaning, renting and selling floor mats for the Tri-State area. The Company provides floor mats, custom logo mats, cleaning and safety products, uniforms and cleaning services for corporate and retail clients. The Company was approved for a \$100,000 working capital loan to reimburse 2014 expenses.
- 2) Orange Trucking Inc. (P43440 & P43442), located in Newark City, Essex County, operates as a transporter of recycled products such as paper, commingled plastics and other engineered products, serving several large corporations from Delaware to Jersey City, NJ. The Company was approved for a \$598,357 working capital loan and a \$1,643 forgivable loan to reimburse 2015 working capital expenses.

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

Prepared by: G. Robins
/gvr



MEMORANDUM

TO: Members of the Authority
FROM: Timothy J. Lizura, President and Chief Operating Officer
DATE: January 10, 2017
SUBJECT: Post Closing Credit Delegated Authority Approvals for 4th Quarter 2016
For Informational Purposes Only

The following post-closing actions were approved under delegated authority during the fourth quarter of 2016:

Name	EDA Credit Exposure	Action
Matrix East Front Street Urban Renewal Associates, LLC	\$ 3,000,000	Consent to short term maturity extensions to be coterminous with Wells Fargo Bank, senior lender, to allow time for the Borrower to refinance the maturing NMTC loan.
Patel Family 2011 TR Agreement (Innovative Resin Systems, Inc.)	\$ 283,665	Consent to substitution of lender, a new capital lease from Fulton Bank and subordinating EDA's lien on business assets to a new working capital line of credit.
642 East State Street Property, LLC (Glass Artistry Architectural Glass & Metal)	\$ 188,222	Extend EDA's balloon maturity for ten years to allow time for the business to repay the loan in full.
Kline Properties, LLC (TDK Enterprises, Inc.)	\$ 174,421	Extend EDA's SLP participation loan for 5 years to be coterminous with the primary lender, Fulton Bank (formerly The Bank.)
Mel's Furniture, LLC	\$ 164,409	Extend principal and interest moratorium on this Stronger NJ Business Loan for 6 months to provide debt service relief.

Conduit Bonds (EDA has no credit exposure)	
The Order of St. Benedict of New Jersey (a.k.a. Delbarton School)	Consent to modify the liquidity ratio covenant on the \$29 million tax exempt bond.

Prepared by: Mansi Naik



TO: Members of the Authority

FROM: Timothy J. Lizura
President/Chief Operating Officer

DATE: January 10, 2017

SUBJECT: Hazardous Discharge Site Remediation Fund - Delegated Authority Fourth Quarter 2016 Approvals (For Informational Purposes Only)

Pursuant to delegations approved by the Board in May 2006, staff may approve new grants under the Hazardous Discharge Site Remediation Fund (HDSRF) up to \$100,000 and supplemental awards for existing grants (of any size) up to an aggregate of \$100,000, provided that the aggregate amount of the supplemental awards does not exceed \$100,000.

Attached is a summary of the Delegated Authority approvals for the fourth quarter ending December 30, 2016. Eight grants were approved totaling \$214,462.



Timothy Lizura

Prepared by: Reneé M. Krug

APPLICANT	DESCRIPTION	GRANT AMOUNT	AWARDED TO DATE
Milford Borough (A&L Oil Co Inc)	Initial grant for Preliminary Assessment and Site Investigation	\$24,695	\$0
Salem City (BDA Four Salem Sites)	Initial grant for Remedial Investigation	\$30,874	\$0
Daniel Scarpulla	Initial grant for Remedial Action	\$2,980	\$0
Westwood Borough (Westwood Pistol Range)	Initial grant for Remedial Investigation	\$17,400	\$0
Hoboken City (Jackson Street Garage)	Initial grant for Remedial Action	\$10,494	\$0
Scotch Plains Twsp (Raritan Road)	Initial grant for Remedial Investigation	\$44,919	\$0
3048 S Broad Street LLC	Initial grant for Remedial Action	\$60,740	\$0
Paterson Habitat for Humanity	Initial grant for Remedial Investigation	\$22,360	\$0
8 Grants	Total Delegated Authority for HDSRF Applications	\$214,462	

*Includes cumulative awards to date (initial & supplemental). Supplemental grant awards do not exceed \$100,000 the delegation permitted



TO: Members of the Authority

FROM: Timothy J. Lizura
President/Chief Operating Officer

DATE: January 10, 2017

SUBJECT: Petroleum Underground Storage Tank Program (PUST) - Delegated Authority
Fourth Quarter 2016 Approvals (For Informational Purposes Only)

Pursuant to delegations approved by the Board in May 2006, staff may approve new grants under the Petroleum Underground Storage Tank Program (PUST) up to \$100,000 and supplemental awards for existing grants (of any size) up to an aggregate of \$100,000 provided that the aggregate amount of the supplemental awards does not exceed \$100,000.

Attached is a summary of the Delegated Authority approvals for the fourth quarter ending December 30, 2016. 193 Grants were approved totaling \$3,904,820.



Timothy Lizura

Prepared by: Reneé M. Krug



TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: January 10, 2017

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

Pursuant to the delegations approved by the Board in May 2006, staff may approve new grants under the Hazardous Discharge Site Remediation Fund (HDSRF) and Petroleum Underground Storage Tank Program (PUST) up to \$100,000 and may approve supplemental awards for existing grants (of any size) up to an aggregate of \$100,000, provided that the aggregate amount of the supplemental awards do not exceed \$100,000.

The Petroleum Underground Storage Tank Program legislation was amended to allow funding for the removal/closure and replacement of non-leaking residential underground storage tanks (UST's) and non-leaking non-residential UST's up to 2,000 gallons for eligible not for profit applicants. The limits allowed under the amended legislation is equivalent to the New Jersey Department of Environmental Protection cost guide.

Below is a summary of the Delegated Authority approvals processed by Finance & Development for the period October 01, 2016 to December 31, 2016

Summary:	# of Grants	\$ Amount
Leaking tank grants awarded	193	\$3,904,820
Non-leaking tank grants awarded	0	\$0

Applicant	Description	Grant Amount	Awarded to Date
928 F&M Realty, Inc. (P42769)	Initial grant for upgrade, closure and remediation	\$28,719	\$28,719
Afonso, Adriana (P42387)	Initial grant for upgrade, closure and remediation	\$36,964	\$36,964
Ahmad, Syed F. (P43059)	Initial grant for upgrade, closure and remediation	\$25,527	\$25,527
Anderson, Gail (P42802)	Initial grant for upgrade, closure and remediation	\$12,616	\$12,616
Andrews, James and Elena (P43084)	Initial grant for upgrade, closure and remediation	\$9,150	\$9,150
Antoni, David F. (P42891)	Initial grant for upgrade, closure and remediation	\$16,401	\$16,401
Aragon, Julia (P42839)	Initial grant for upgrade, closure and remediation	\$46,965	\$46,965
Armstrong, Doyle (P43186)	Partial initial grant for upgrade, closure and remediation	\$3,834	\$3,834
Austin, Faith (P42747)	Initial grant for upgrade, closure and remediation	\$24,578	\$24,578
Averill, Edward (P43103)	Initial grant for upgrade,	\$31,072	\$31,072

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Baratto, Aldo (P42751)	Initial grant for upgrade, closure and remediation	\$11,844	\$11,844
Bello, Alice (P42834)	Initial grant for upgrade, closure and remediation	\$4,977	\$4,977
Bemmels, James (P42695)	Initial grant for upgrade, closure and remediation	\$44,524	\$44,524
Bender, Robert (P42688)	Initial grant for upgrade, closure and remediation	\$16,360	\$16,360
Bhattacharjee, Tushar (P42873)	Initial grant for upgrade, closure and remediation	\$1,500	\$1,500
Browne, Donald (P43137)	Initial grant for upgrade, closure and remediation	\$39,281	\$39,281
Brune, Michael (P42717)	Initial grant for upgrade, closure and remediation	\$10,144	\$10,144
Burke, Joseph M. (P43121)	Partial initial grant for upgrade, closure and remediation	\$7,770	\$7,770
Caine, Karl (P43446)	Initial grant for upgrade, closure and remediation	\$56,475	\$56,475
Carr, Kevin and Laurie (P42657)	Initial grant for upgrade, closure and remediation	\$21,434	\$21,434
Cheang, Wai-Leng (P42904)	Initial grant for upgrade, closure and remediation	\$11,498	\$11,498
Chumpitaz, Lucio (P42901)	Initial grant for upgrade, closure and remediation	\$20,947	\$20,947
Clohosey, Mary (P42794)	Initial grant for upgrade, closure and remediation	\$10,228	\$10,228
Cole, Nancy (P42947)	Initial grant for upgrade, closure and remediation	\$11,460	\$11,460
Coleman, David E. (P42962)	Initial grant for upgrade, closure and remediation	\$14,195	\$14,195
Conover, Meegyo (P17933)	Initial grant for site remediation	\$40,012	\$40,012
Cooper, Donald (P42733)	Initial grant for upgrade, closure and remediation	\$23,677	\$23,677
Corso, Stephen (P42884)	Initial grant for upgrade, closure and remediation	\$7,150	\$7,150
Coyle, Mary Ann (P43156)	Initial grant for upgrade, closure and remediation	\$20,644	\$20,644
Croft, Roxanne G. F. (P43434)	Initial grant for upgrade, closure and remediation	\$8,840	\$8,840
D'Ambrosio, Joseph (P42820)	Initial grant for upgrade, closure and remediation	\$11,715	\$11,715
DaSilva, Educler and Anna	Initial grant for upgrade,	\$60,006	\$60,006

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
(P42996)	closure and remediation		
Dahringer, Donald W (P43283)	Initial grant for upgrade, closure and remediation	\$6,985	\$6,985
DeFrank, Joseph (P43361)	Initial grant for upgrade, closure and remediation	\$10,846	\$10,846
DeGenova, Barbara (P43408)	Initial grant for upgrade, closure and remediation	\$20,798	\$20,798
DeLiberio, Diane (P43145)	Initial grant for upgrade, closure and remediation	\$27,023	\$27,023
DePhillips, Audrey (P42824)	Initial grant for upgrade, closure and remediation	\$13,211	\$13,211
DeRiso, John (P42621)	Partial initial grant for upgrade, closure and remediation	\$4,836	\$4,836
Delpizzo, Anthony (P42609)	Initial grant for upgrade, closure and remediation	\$83,767	\$83,767
Derosa, Mike (P43239)	Initial grant for upgrade, closure and remediation	\$8,941	\$8,941
DiModugno, Giuseppe (P42869)	Supplemental grant for site remediation	\$2,750	\$12,791
DiProspero, Michael (P43335)	Initial grant for upgrade, closure and remediation	\$62,471	\$62,471
Dolan, Kathleen (P43275)	Initial grant for upgrade, closure and remediation	\$70,648	\$70,648
Downey, Patricia (P43119)	Supplemental grant for site remediation	\$19,053	\$54,385
Dudas, Andrew (P43000)	Initial grant for upgrade, closure and remediation	\$12,758	\$12,758
Eckert, Mary and Marcus Felson (P42779)	Initial grant for upgrade, closure and remediation	\$22,148	\$22,148
Eskow, James (P42966)	Initial grant for upgrade, closure and remediation	\$10,525	\$10,525
Estate of Angelina Scarano (P42451)	Initial grant for upgrade, closure and remediation	\$11,127	\$11,127
Estate of Edna Harkey (P42773)	Initial grant for upgrade, closure and remediation	\$8,071	\$8,071
Estate of Frances Lusardi (P42742)	Supplemental grant for upgrade, closure and remediation	\$9,397	\$12,897
Estate of Irene Pew (P42701)	Initial grant for upgrade, closure and remediation	\$33,150	\$33,150
Estate of Joseph Morin (P42461)	Initial grant for upgrade, closure and remediation	\$21,945	\$21,945
Estate of Maria Carreiro (P42835)	Initial grant for upgrade, closure and remediation	\$14,492	\$14,492
Estate of Roxie Sherrod	Initial grant for upgrade,	\$11,268	\$11,268

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
(P42882)	closure and remediation		
Fernandes, Jose (P43300)	Initial grant for upgrade, closure and remediation	\$9,153	\$9,153
Fierro, John (P43179)	Initial grant for upgrade, closure and remediation	\$65,714	\$65,714
Finnerty, Julie (P43040)	Initial grant for upgrade, closure and remediation	\$4,493	\$4,493
Frazier, John and Lorraine (P42930)	Initial grant for upgrade, closure and remediation	\$11,806	\$11,806
Galeta, Charleen (P43097)	Initial grant for upgrade, closure and remediation	\$7,768	\$7,768
Gallo, Maureen (P42878)	Initial grant for upgrade, closure and remediation	\$35,236	\$35,236
Galoppo, Gary (P43165)	Initial grant for upgrade, closure and remediation	\$7,404	\$7,404
Gannon, Gordon (P43363)	Initial grant for upgrade, closure and remediation	\$10,568	\$10,568
Gaydos, Joseph (P42401)	Partial initial grant for upgrade, closure and remediation	\$41,770	\$41,770
Ghassali, Theresia (P43359)	Initial grant for upgrade, closure and remediation	\$5,441	\$5,441
Giampapa, Keith (P42429)	Initial grant for upgrade, closure and remediation	\$19,754	\$19,754
Glembocki, Thomas and Pamela (P42818)	Initial grant for upgrade, closure and remediation	\$16,213	\$16,213
Golden, Wendy (P42682)	Initial grant for upgrade, closure and remediation	\$6,032	\$6,032
Greeley Jr., Thomas J. (P43194)	Initial grant for upgrade, closure and remediation	\$14,498	\$14,498
Hailstock, Shirley (P43013)	Initial grant for upgrade, closure and remediation	\$30,145	\$30,145
Hamilton, Dorothy (P43267)	Initial grant for upgrade, closure and remediation	\$17,037	\$17,037
Hao, Zuan and Cheng Ho (P43255)	Supplemental grant for site remediation	\$84,505	\$134,971*
Harriot, Marion (P42870)	Initial grant for upgrade, closure and remediation	\$9,543	\$9,543
Harrop, Jeffrey (P42847)	Initial grant for upgrade, closure and remediation	\$15,714	\$15,714
Hasani, Samin (P43174)	Initial grant for upgrade, closure and remediation	\$12,666	\$12,666
Hennessey, Michael (P42784)	Partial initial grant for upgrade, closure and remediation	\$13,155	\$13,155
Hernandez, Aurora (P43041)	Initial grant for upgrade,	\$11,184	\$11,184

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
High, Chris (P43475)	Initial grant for upgrade, closure and remediation	\$12,434	\$12,434
Hill, Irene (P43006)	Initial grant for upgrade, closure and remediation	\$8,028	\$8,028
Himmelreich, Thomas A. (P43074)	Initial grant for upgrade, closure and remediation	\$5,153	\$5,153
Hopkins, Robert (P42612)	Partial initial grant for upgrade, closure and remediation	\$18,363	\$18,363
Hunterton, David H. (P42845)	Initial grant for upgrade, closure and remediation	\$22,800	\$22,800
Jaczko, Brian and Kelly (P42978)	Partial initial grant for upgrade, closure and remediation	\$3,625	\$3,625
Jeglikowski, Joan (P42424)	Initial grant for upgrade, closure and remediation	\$3,970	\$3,970
Jian, Ming (P42737)	Initial grant for upgrade, closure and remediation	\$18,216	\$18,216
Johnson, Chris (P42270)	Initial grant for upgrade, closure and remediation	\$14,101	\$14,101
Judge, Arthur and June (P42686)	Initial grant for upgrade, closure and remediation	\$4,633	\$4,633
Kallerges, Leonidis and Joanne (P43083)	Initial grant for upgrade, closure and remediation	\$13,264	\$13,264
Kaltinick, Ira (P43155)	Initial grant for upgrade, closure and remediation	\$16,034	\$16,034
Kane, Beth (P42232)	Initial grant for upgrade, closure and remediation	\$4,641	\$4,641
Karlin, Cynthia (P43407)	Initial grant for upgrade, closure and remediation	\$49,771	\$49,771
Kelly, Anthony (P42329)	Initial grant for upgrade, closure and remediation	\$26,580	\$26,580
Kennedy, Barbara (P42687)	Initial grant for upgrade, closure and remediation	\$4,470	\$4,470
Kessler, Chris (P43042)	Initial grant for upgrade, closure and remediation	\$5,916	\$5,916
Kisling, Regina (P42243)	Initial grant for upgrade, closure and remediation	\$16,384	\$16,384
Kopcsó, Jr, John R (P43180)	Initial grant for upgrade, closure and remediation	\$11,588	\$11,588
Kopy, Harry (P42619)	Initial grant for upgrade, closure and remediation	\$11,690	\$11,690
Kostyc, Florence (P43362)	Initial grant for upgrade, closure and remediation	\$5,117	\$5,117
Kotraba, Kirsten (P43095)	Initial grant for upgrade,	\$11,292	\$11,292

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Kowalick, Raymond and Beverly (P42988)	Partial initial grant for upgrade, closure and remediation	\$3,690	\$3,690
Kupko, James (P43301)	Initial grant for upgrade, closure and remediation	\$9,243	\$9,243
Kurtz, Gail (P43060)	Initial grant for upgrade, closure and remediation	\$28,891	\$28,891
Lanzetti, Robert (P42676)	Initial grant for upgrade, closure and remediation	\$23,119	\$23,119
Lardieri, Nick and Margaret (P43171)	Initial grant for upgrade, closure and remediation	\$28,809	\$28,809
Laskowich, Anne (P42208)	Initial grant for upgrade, closure and remediation	\$16,501	\$16,501
Lindaberry, Kathy (P43306)	Initial grant for upgrade, closure and remediation	\$29,590	\$29,590
Loadenthal, Charlotte (P42740)	Initial grant for site remediation	\$10,225	\$10,225
Lock, Keith and Mary (P43129)	Initial grant for upgrade, closure and remediation	\$10,993	\$10,993
Lopez, Michael (P42896)	Initial grant for upgrade, closure and remediation	\$24,381	\$24,381
Luna, George and Maria (P43048)	Initial grant for upgrade, closure and remediation	\$4,502	\$4,502
Lynch, James (P43211)	Initial grant for upgrade, closure and remediation	\$25,632	\$25,632
MacInnes, Craig (P42851)	Initial grant for upgrade, closure and remediation	\$5,779	\$5,779
Mahovetz, Victoria (P42628)	Initial grant for upgrade, closure and remediation	\$20,210	\$20,210
Mallari, Lorenza (P42105)	Initial grant for upgrade, closure and remediation	\$17,903	\$17,903
Martin, Erik (P43086)	Initial grant for upgrade, closure and remediation	\$10,930	\$10,930
McClellan, Paul and Rita (P43292)	Initial grant for upgrade, closure and remediation	\$14,125	\$14,125
McClintock, Robert (P42768)	Partial initial grant for upgrade, closure and remediation	\$5,452	\$5,452
McGill, Dennis (P42961)	Initial grant for upgrade, closure and remediation	\$7,362	\$7,362
McMullen, Catherine (P43288)	Initial grant for upgrade, closure and remediation	\$42,023	\$42,023
McNally, Kevin and Judith (P42902)	Initial grant for upgrade, closure and remediation	\$3,870	\$3,870
McNamara, John (P42811)	Initial grant for upgrade,	\$12,245	\$12,245

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Mendel, Alan (P43002)	Initial grant for upgrade, closure and remediation	\$15,872	\$15,872
Migacz, Anthony (P43244)	Initial grant for upgrade, closure and remediation	\$21,445	\$21,445
Mistry, Ratilal R. (P43166)	Initial grant for upgrade, closure and remediation	\$15,198	\$15,198
Moore, Carolyn (P43102)	Initial grant for upgrade, closure and remediation	\$14,866	\$14,866
Moore, William (P42813)	Initial grant for upgrade, closure and remediation	\$28,822	\$28,822
Mullen, Robert (P42194)	Initial grant for upgrade, closure and remediation	\$11,312	\$11,312
Mullery, Rita (P42905)	Initial grant for upgrade, closure and remediation	\$4,400	\$4,400
Nagy, Geraldine (P43116)	Initial grant for upgrade, closure and remediation	\$10,610	\$10,610
Napolitano, Anne (P43043)	Partial initial grant for upgrade, closure and remediation	\$2,180	\$2,180
Nasta, Charles J. (P43054)	Initial grant for upgrade, closure and remediation	\$60,623	\$60,623
Nelson, Joseph (P43422)	Initial grant for upgrade, closure and remediation	\$10,766	\$10,766
Nicolaou Chris and Theoseva (P43225)	Initial grant for upgrade, closure and remediation	\$13,337	\$13,337
Noblett, Robert (P42999)	Initial grant for upgrade, closure and remediation	\$16,775	\$16,775
Novak, William and Jamie (P42995)	Initial grant for upgrade, closure and remediation	\$32,376	\$32,376
O'Conner, Natalie (P43183)	Initial grant for upgrade, closure and remediation	\$23,497	\$23,497
Obeidallah, Ibrahim M. (P42803)	Initial grant for upgrade, closure and remediation	\$5,198	\$5,198
Panico, Vincenza (P42942)	Initial grant for upgrade, closure and remediation	\$11,550	\$11,550
Pappas, Valerie G. (P43519)	Initial grant for upgrade, closure and remediation	\$33,185	\$33,185
Patel, Raman (P42375)	Initial grant for upgrade, closure and remediation	\$58,575	\$58,575
Pepe, Vincent (P42729)	Initial grant for upgrade, closure and remediation	\$2,715	\$2,715
Pernicello, Thomas (P42443)	Initial grant for upgrade, closure and remediation	\$72,370	\$72,370
Perrette, Susan (P42907)	Initial grant for upgrade,	\$17,468	\$17,468

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Peschler, Ben (P43273)	Initial grant for upgrade, closure and remediation	\$21,072	\$21,072
Polonez, Alex (P43353)	Initial grant for upgrade, closure and remediation	\$3,047	\$3,047
Porta, Eugene and Catherine (P42552)	Initial grant for upgrade, closure and remediation	\$11,277	\$11,277
Proto, Rita (P42906)	Initial grant for upgrade, closure and remediation	\$86,478	\$86,478
Purn, Mary Beth (P42899)	Initial grant for upgrade, closure and remediation	\$84,154	\$84,154
Quarrie, Ransford (P41909)	Initial grant for upgrade, closure and remediation	\$13,468	\$13,468
Radzin, Gary (P42458)	Initial grant for upgrade, closure and remediation	\$2,005	\$2,005
Rankin, Linda (P42452)	Initial grant for upgrade, closure and remediation	\$23,158	\$23,158
Reed, William and Elaine (P43114)	Supplemental grant for site remediation	\$85,995	\$112,388*
Reilly, Barbara (P42444)	Initial grant for upgrade, closure and remediation	\$23,436	\$23,436
Robert Tobolewski and Beata Tobolewska (P42859)	Initial grant for upgrade, closure and remediation	\$10,104	\$10,104
Rock, Lynette (P43096)	Initial grant for upgrade, closure and remediation	\$6,258	\$6,258
Rolle, Leoni (P42819)	Initial grant for upgrade, closure and remediation	\$6,838	\$6,838
Rosamilia, Gina M. (P42614)	Initial grant for upgrade, closure and remediation	\$39,023	\$39,023
Rusch, Douglas (P42743)	Initial grant for upgrade, closure and remediation	\$12,969	\$12,969
Ruth, Robert and Theresa (P42817)	Initial grant for upgrade, closure and remediation	\$37,464	\$37,464
Sagri, Carlo (P42456)	Initial grant for upgrade, closure and remediation	\$7,715	\$7,715
Saloway, Kenneth (P42893)	Initial grant for upgrade, closure and remediation	\$13,526	\$13,526
Sandrue, Harold and Patricia (P43339)	Initial grant for upgrade, closure and remediation	\$13,951	\$13,951
Scollo, Craig (P41872)	Initial grant for upgrade, closure and remediation	\$5,695	\$5,695
Scrimgeour, Andrew (P43205)	Initial grant for upgrade, closure and remediation	\$15,712	\$15,712
Sekel, James (P42843)	Initial grant for upgrade,	\$27,540	\$27,540

January 2017 Board Book - Board Memorandums

Applicant	Description	Grant Amount	Awarded to Date
	closure and remediation		
Shanks, Thomas and Monika (P43245)	Initial grant for upgrade, closure and remediation	\$12,923	\$12,923
Shevlin, Mike (P42849)	Initial grant for upgrade, closure and remediation	\$10,125	\$10,125
Shukla, Vinodrai J. (P43181)	Initial grant for upgrade, closure and remediation	\$7,085	\$7,085
Simon, Anna (P42538)	Initial grant for upgrade, closure and remediation	\$13,012	\$13,012
Smith, Chris (P42855)	Initial grant for upgrade, closure and remediation	\$14,190	\$14,190
Southwood Baptist Church (P41901) Fellowship Hall	Supplemental grant for site remediation	\$60,000	\$147,418*
Stickle, Jeffrey (P42664)	Supplemental grant for site remediation	\$4,309	\$26,756
Stisi, Devann (P43100)	Initial grant for upgrade, closure and remediation	\$6,333	\$6,333
Swank, Carol Lynn (P43118)	Supplemental grant for site remediation	\$55,164	\$71,573
Szimonowitz, Simon (P42881)	Initial grant for upgrade, closure and remediation	\$3,800	\$3,800
Thomas, Bernard (P42656)	Initial grant for upgrade, closure and remediation	\$19,253	\$19,253
Toutounjian, Leon (P43177)	Initial grant for upgrade, closure and remediation	\$64,783	\$64,783
Trusio, Peter and Donna (P42791)	Initial grant for upgrade, closure and remediation	\$17,618	\$17,618
Turetsky, Karine (P43149)	Initial grant for upgrade, closure and remediation	\$30,599	\$30,599
Vea, Marc (P42853)	Initial grant for upgrade, closure and remediation	\$5,446	\$5,446
Velez, Luis (P43236)	Initial grant for upgrade, closure and remediation	\$9,245	\$9,245
Ventura, Marilyn (P43320)	Initial grant for upgrade, closure and remediation	\$7,790	\$7,790
Waga, Jaime (P43010)	Initial grant for upgrade, closure and remediation	\$35,238	\$35,238
Walsh, Robert (P43193)	Initial grant for upgrade, closure and remediation	\$15,650	\$15,650
Washington, Carey and Rosetta (P42631)	Initial grant for upgrade, closure and remediation	\$15,686	\$15,686
Weathers, Janice (P43133)	Initial grant for upgrade, closure and remediation	\$9,939	\$9,939



MEMORANDUM

TO: Members of the Authority

FROM: Timothy Lizura
President/Chief Operating Officer

DATE: January 10, 2017

SUBJECT: Incentives Modifications
(For Informational Purposes Only)

Since 2001, and most recently in June, 2014, the Members have approved delegations to the President/Chief Operating Officer for post closing incentive modifications that are administrative and do not materially change the original approvals of these grants.

Attached is a list of the incentive modifications and Salem/UEZ renewal extensions that were approved in the 4th quarter ending December 31, 2016.

A handwritten signature in black ink, appearing to read 'T. Lizura', is written over a solid horizontal line. The signature is fluid and cursive in style.

Prepared by: J. Halo

ACTIONS APPROVED UNDER DELEGATED AUTHORITY
 QUARTER ENDING DECEMBER 31, 2016

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

Applicant	Modification Action	Approved Award
Advanced Health Media, Inc.	Consent to location change from 300 Somerset Corporate Boulevard, Bridgewater Township to 420 Mountain Avenue, New Providence, New Jersey.	\$100,844

ECONOMIC REDEVELOPMENT AND GROWTH GRANT PROGRAM

Applicant	Modification Action	Approved Award
Hotel 1160, LLC	Six month extension to submit documentation to meet conditions of agreement	\$6,638,580
One Journal Square Partners Urban Renewal Company, LLC	Six month extension to submit documentation to meet conditions of agreement	\$34,000,000

GROW NEW JERSEY ASSISTANCE PROGRAM

Applicant	Modification Action	Approved Award
Accurate Box Company, Inc.	Consent to approve the first six-month extension of ABC's deadline to complete its project and submit the accompanying certifications for issuance of the tax credit certificate from September 11, 2017 to March 11, 2018.	\$39,875,000
Biovail Americas Corporation, Valeant Pharmaceuticals International Corporation, and Valeant Pharmaceuticals North America, LLC	Consent to approve the first six-month extension of the Biovail deadline to complete its project and submit the accompanying certifications for issuance of the tax credit certificate from December 10, 2016 to June 10, 2017.	\$39,502,500
IDT Corporation, IDT International Corporation, IDT Domestic Telecom, Inc. and Genie Energy International	Consent to approve the first six-month extension of IDT's deadline to complete its project and submit the accompanying certifications for issuance of the tax credit certificate from December 9, 2016 to June 9, 2017.	\$24,320,000
Jimmy's Cookies, LLC	Consent to add PCI Staffing, Inc., a Professional Employer Organization, registered in NJ, to the Grow NJ agreement.	\$7,537,500
Just Greens, LLC d/b/a Aerofarms	Consent to approve the first six-month extension of Aerofarms' deadline to complete its project and submit the accompanying certifications for issuance of the tax credit certificate from December 9, 2017 to June 9, 2018.	\$6,555,000

Surfside Seafood Products, LLC	Consent to the addition of Surfside Frozen Foods, LLC as an affiliate to the Grow NJ Incentive Agreement.	\$1,600,000
TR U.S. Inc, Thomson Reuters Holdings Inc., Thomson Reuters (Markets) LLC and West Publishing Corporation	Consent to approve the first six-month extension of TR's deadline to complete its project and submit the accompanying certifications for issuance of the tax credit certificate from February 11, 2017 to August 11, 2017.	\$25,987,500
World Business Lenders, LLC	Consent to the addition of WBL Funding, LLC to the Grow NJ Incentive Agreement.	\$16,875,000
WW 1 Journal Square LLC	Consent to extend WW1's deadline to submit the conditions to maintain approval to May 13, 2017.	\$59,004,030

SALEM/UEZ ENERGY SALES TAX EXEMPTION RENEWALS

Applicant	Extend to Date	Location	# of Employees/% Involved in Manufacturing	Benefit
Church & Dwight	September 4, 2017	Lakewood, NJ	312/100%	\$105,000
Siegfried USA, LLC	March 23, 2017	Pennsville, NJ	170/88%	\$177,000
Tropical Cheese Industries	December 5, 2017	Perth Amboy, NJ	262/57%	\$55,000



MEMORANDUM

TO: Members of the Authority

FROM: Timothy J. Lizura
President and Chief Operating Officer

DATE: January 10, 2017

SUBJECT: Real Estate Division Delegated Authority for Leases, CCIT Grants, and Right of Entry (ROE)/ Licenses for Fourth Quarter 2016
For Informational Purposes Only

The following approvals were made pursuant to Delegated Authority for Leases and ROE/ Licenses in October, November and December 2016.

LEASES / CCIT GRANTS

<u>TENANT</u>	<u>LOCATION</u>	<u>TYPE</u>	<u>TERM</u>	<u>S.F.</u>	<u>CCIT GRANT</u>
Nutrasorb	CCIT	Lease Holdover	Month to Month (Oct only)	125sf	N/A
Bellerophon Therapeutics	CCIT	Lease Holdover	Month to Month	1,600 sf	N/A
Shionogi	CCIT	Lease Holdover	Month to Month	800 sf	N/A
Nexomics	CCIT	Lease Holdover	Month to Month (Oct Only)	800 sf	N/A
Ascendia Pharmaceuticals	CCIT	Lease Holdover	Month to Month	3,925 sf	N/A
Grace Therapeutics	CCIT	Lease Extension	One Year	1,600 sf	N/A
Quixgen Inc.	CCIT	New Lease	One Year	800 sf	N/A
Celmatix Clinical Laboratories	CCIT	New Lease	One Year	1,600 sf	N/A
FLUIDDA	CCIT	Lease Holdover	Month to Month	125sf	N/A

Urogen Pharmaceuticals	CCIT	Lease Extension	One Year	655 sf	N/A
Kamat Pharmatech	CCIT	Lease Extension	One Year	2,000 sf	N/A

RIGHT OF ENTRY/LICENSES/EXTENSIONS

<u>ENTITY</u>	<u>LOCATION</u>	<u>TYPE</u>	<u>CONSIDERATION</u>
Hugs for Brady	Tech Expansion (use allowed with consent of purchaser, KTR NJ IV, LLC)	ROE	\$1.00 for non profit entity
Parking Authority of City of Camden	Prison Lot-Interim Parking Lot	ROE for Overflow Parking for Rutgers University Students	100% of gross parking revenue (operating expenses capped at 20%)



Timothy J. Lizura
President and Chief Operating Officer

Prepared by: Donna T. Sullivan