



**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** May 11, 2018

**SUBJECT:** Agenda for Board Meeting of the Authority May 11, 2018

**Notice of Public Meeting**

**Roll Call**

**Approval of Previous Month's Minutes**

**Chairman's Report to the Board**

**CEO's Report to the Board**

**Board Presentation**

**Authority Matters**

**Incentive Programs**

**Bond Projects**

**Loans/Grants/Guarantees**

**Edison Innovation Fund**

**Office of Recovery**

**Real Estate**

**Board Memorandums**

**Public Comment**

**Adjournment**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**April 10, 2018**

**MINUTES OF THE MEETING**

Members of the Authority present: Chairman Larry Downes, Acting Commissioner Marlene Caride of the Department of Banking and Insurance; Acting Commissioner Robert Asaro - Angelo of Department of Labor and Workforce Development; Jim Kelly representing Acting State Treasurer Elizabeth Muoio; Public Members Charles Sarlo, Fred Dumont, and John Lutz, Third Alternate Public Member.

Present via conference call: Dan Ryan representing Acting Commissioner Catherine McCabe of the Department of Environmental Protection; Public Members Massiel Medina Ferrara, William J. Albanese, Sr., Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent: Mary Maples of the Executive Branch; Public Members Philip Alagia, Louis Goetting, and William Layton, and Thomas Scrivo.

Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Gabriel Chacon; Adam Sternbach, Governor's Authorities' Unit; and staff.

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

Pursuant to the Internal Revenue Code of 1986, Mr. Lizura 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, Mr. Lizura 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 February 13, 2018 meeting minutes. A motion was made to approve the minutes by Commissioner Angelo, and seconded by Commissioner Caride, and was approved by 8 of the 10 voting members present, and two alternates.

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

**BOARD PRESENTATION**

George Helmy, State Director, U.S. Senator Cory Booker, provided board members with an overview of the newly enacted federal "Opportunity Zone" program.

**INCENTIVE PROGRAMS**

**Economic Redevelopment and Growth Grant Program**

**ITEM:** Garden Spires Urban Renewal, LP

APPL.#39897

**REQUEST:** To approve the application of Garden Spires Urban Renewal, LP for a Project located in Newark, Essex County for reimbursement of certain taxes. The recommendation is to award 30% of actual eligible costs, not to exceed \$33,676,732 based on the budget submitted.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Commissioner Caride **AYES:** 8 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

**ITEM:** Spruce Spires Urban Renewal, LP

APPL.#39895

**REQUEST:** To approve the application of Spruce Spires Urban Renewal, LP for a Project located in Newark, Essex County for reimbursement of certain taxes. The recommendation is to award 30% of actual eligible costs, not to exceed \$9,246,719 based on the budget submitted.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Commissioner Angelo **AYES:** 8 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

**Grow New Jersey Assistance Program**

**ITEM:** Carts Mobile Food Equipment Corporation

APPL.#44861

**REQUEST:** To approve the application of Carts Mobile Food Equipment Corporation for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Plainfield City, NJ. Project location of Plainfield City, Union County qualifies as a Distressed 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, Transit Oriented Development, Capital Investment in Excess of Minimum (non-mega), Targeted Industry of Manufacturing. The estimated annual award is \$374,000 for a 10-year term.

**MOTION TO APPROVE:** Commissioner Angelo **SECOND:** Mr. Lutz **AYES:** 8 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**ITEM:** Choice Logistics, Inc.

APPL.#44920

**REQUEST:** To approve the application of Choice Logistics, 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, Targeted Industry of Logistics. The estimated annual award is \$825,000 for a 10-year term.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Commissioner Caride **AYES:** 8 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

**ITEM:** Feldware, Inc.

APPL.#44900

**REQUEST:** To approve the application of Feldware, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Rahway City, NJ. Project location of Rahway City, Union County qualifies as a Distressed 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 Capital Investment in Excess of Minimum (non-mega), Targeted Industry of Manufacturing. The estimated annual award is \$247,500 for a 10-year term.

**MOTION TO APPROVE:** Commissioner Caride **SECOND:** Mr. Lutz **AYES:** 8 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

Acting Commissioner Angelo left the meeting at this time.

**ITEM:** Infinite Herbs LLC

APPL.#44905

**REQUEST:** To approve the application of Infinite Herbs LLC for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Vineland City, NJ. Project location of Vineland City, Cumberland County qualifies as a Distressed 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 2007 Revit. Index > 465 in Cumberland County. The estimated annual award is \$625,000 for a 10-year term.

**MOTION TO APPROVE:** Mr. Lutz **SECOND:** Commissioner Caride **AYES:** 7 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**ITEM:** Tech Mahindra (Americas) Inc.

APPL.#44852

**REQUEST:** To approve the finding of jobs at risk

**MOTION TO APPROVE:** Mr. Lutz **SECOND:** Mr. Dumont **AYES:** 7 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT:7**

**ITEM:** Integra Life Sciences Corporation

APPL.#44882

**REQUEST:** To approve the application of Integra Life Sciences Corporation for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Plainsboro Township, NJ. Project location of Plainsboro Township, Middlesex 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 Jobs with Salary in Excess of County Average, Large number of New/Retained F/T jobs, Targeted Industry of Life Sciences.. The estimated annual award is \$1,780,832 for a 10-year term.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Commissioner Caride **AYES:** 7 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

**ITEM:** Tech Mahindra (Americas) Inc.

APPL.#44852

**REQUEST:** To approve the finding of jobs at risk

**MOTION TO APPROVE:** Mr. Lutz **SECOND:** Mr. Dumont **AYES:** 7 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

**ITEM:** Tech Mahindra (Americas) Inc.

APPL.#44852

**REQUEST:** To approve the application of Tech Mahindra (Americas) Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Bedminster Township, NJ. Project location of Bedminster 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 Target Industry of Technology. The estimated annual award is \$199,800 for a 10-year term.

**MOTION TO APPROVE:** Mr. Lutz      **SECOND:** Mr. Dumont **AYES:** 7 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

**ITEM:** Union Packaging, LLC

APPL.#44885

**REQUEST:** To approve the application of Union Packaging, LLC for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Camden, NJ. Project location of Camden, Camden 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 estimated annual award is \$1,063,985 for a 10-year term.

**MOTION TO APPROVE:** Commissioner Caride **SECOND:** Mr. Lutz      **AYES:** 7 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

Mr. Ryan left the call at this time. Subsequently, Chairman Downes authorized the alternate members to exercise all of the powers, duties and responsibilities of members for the meeting.

**Grow New Jersey Assistance Program- Modification**

**ITEM:** LTC Consulting Services, LLC

APPL.#39890

**REQUEST:** Consent to changes for the approved Grow NJ Award that will decrease their award amount.

**MOTION TO APPROVE:** Mr. Lutz **SECOND:** Commissioner Caride **AYES:** 6 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

**ITEM:** RAB Lighting Inc.

APPL.#39725

**REQUEST:** Consent to changes for the approved Grow NJ Award that will decrease their award amount.

**MOTION TO APPROVE:** Commissioner Caride **SECOND:** Mr. Lutz      **AYES:** 6 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

**BOND PROJECTS**

**Preliminary Bond Resolutions**

**ITEM:** Atlantic City Sewerage Company APPL.#44952  
**LOCATION:** Atlantic City, Atlantic County  
**PROCEEDS FOR:** Renovations, Construction, Environ. Investigation & Remediation  
**FINANCING:** Total costs: \$5,255,000  
**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Kelly **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

**LOANS/GRANTS/GUARANTEES**

**Loan Modifications**

**ITEM:** AC Beach Development Partners, LLC  
**REQUEST:** Consent to the release of guarantors  
**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Lutz **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

**Hazardous Discharge Site Remediation Fund**

**ITEM:** Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.  
**MOTION TO APPROVE:** Commissioner Caride **SECOND:** Mr. Kelly **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

**PROJECT:** Peter Minardi dba Positive Electric APPL.#44568  
**LOCATION:** Hanover Township, Morris County  
**PROCEEDS FOR:** Remedial Action  
**FINANCING:** \$15,500

**Petroleum Underground Storage Tank (PUST)**

**ITEM:** Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.  
**MOTION TO APPROVE:** Commissioner Caride **SECOND:** Mr. Kelly **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

**PROJECT:** Sabino Guanci APPL.#44801  
**LOCATION:** Bloomfield Township, Essex County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$129,284

**PROJECT:** Nathaniel Brightwell APPL.#44374  
**LOCATION:** Linden City, Union County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$145,069

**PROJECT:** John and Doris Clayton APPL.#44424  
**LOCATION:** Haddonfield Borough, Camden County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$146,988

**PROJECT:** Estate of Marian Anglim APPL.#44363  
**LOCATION:** Woodbridge Township, Middlesex County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$135,245

**PROJECT:** Doug Gibson APPL.#44391  
**LOCATION:** Manalapan Township, Monmouth County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$152,068

**PROJECT:** Jayne Mead APPL.#44427  
**LOCATION:** Leonia Borough, Bergen County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$221,594

**PROJECT:** Frank Tyger APPL.#44330  
**LOCATION:** Barnegat Township, Ocean County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$236,242

**PROJECT:** Monmouth Presbytery APPL.#44515  
**LOCATION:** Aberdeen Township, Monmouth County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$157,165

**EDISON INNOVATION FUND**

**NJ CoVest Fund Program**

**ITEM:** Early Stage Technology Company Investment Program  
**REQUEST:** Approve clarification of program eligibility and requirements  
**MOTION TO APPROVE:** Mr. Kelly      **SECOND:** Mr. Sarlo **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 18**

**PROJECT:** Gridless Power Corporation      APPL.#44913  
**LOCATION:** Collingswood Borough, Camden County  
**PROCEEDS FOR:** Working Capital  
**FINANCING:** \$250,000  
**MOTION TO APPROVE:** Mr. Dumont      **SECOND:** Mr. Lutz **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

**OFFICE OF RECOVERY**

**Energy Resilience Bank Program- Modification**

**ITEM:** St. Peter's University Hospital Project Funding  
**REQUEST:** Consent to the modification of the funding amount due to additional project work and resiliency modifications  
**MOTION TO APPROVE:** Mr. Dumont      **SECOND:** Commissioner Caride **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

**REAL ESTATE**

**ITEM:** FMERA Purchase and Sale & Redevelopment Agreement  
**REQUEST:** Consent to FMERA entering into the redevelopment agreement with Commvault Systems, Inc. for the Charles Wood Fire Station Parcel in Tinton Falls  
**MOTION TO APPROVE:** Mr. Dumont      **SECOND:** Commissioner Caride **AYES:** 6 (and 2 alternates)  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 21**

**BOARD MEMORANDUMS**

**FOR INFORMATION ONLY:** Projects approved under Delegated Authority  
**Direct Loan Program:** Bylada Foods, LLC (44063)



**Premier Lender Program:** 44 Washington Street 2018 LLC (P44864), 149-151 Randolph LLC (P44910), BTB Holdings, LLC and Butler Real Estate Holdings, LLC (44859 & 44896), KD Singh Enterprise LLC (P44863)

**FOR INFORMATION ONLY:** Hazardous Discharge Site First Quarter 2018 approvals- Delegated Authority

**FOR INFORMATION ONLY:** Incentives Modifications- First Quarter 2018

**FOR INFORMATION ONLY:** Post Closing Credit Delegated Authority- First Quarter 2018 approvals

**FOR INFORMATION ONLY:** Petroleum Underground Storage Tank Program- First Quarter 2018 approvals

**FOR INFORMATION ONLY:** Real Estate Division Delegated Authority for Leases and Right of Entry Licenses- First Quarter 2018

### PUBLIC COMMENT

There was no public comment.

### EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a real estate matter and a potential litigation matter, where disclosure could adversely affect the public interest. The minutes will be made public when the need for confidentiality no longer exists.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Sarlo **AYES:** 6 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 22**

The Board returned to Public Session.

### REAL ESTATE

**ITEM:** Agreement of Sale of Property with Gateway Community Action Partnership, Block 190 Lot 1, Corner of Pamphylia and Southeast Avenues, Bridgeton (4.454 acres)

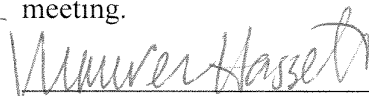
**REQUEST** To approve the disposition of property in Bridgeton.

**MOTION TO APPROVE:** Mr. Sarlo **SECOND:** Mr. Dumont **AYES:** 6 (and 2 alternates)

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 23**

There being no further business, on a motion by Mr. Sarlo, and seconded by Mr. Dumont, the meeting was adjourned at 3:39pm.

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



Maureen Hassett, Sr. Vice President  
Governance, Communications and Strategic Initiatives  
Assistant Secretary



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Tim Sullivan

**DATE:** May 11, 2018

**RE:** Monthly Report to the Board

### EDA EVOLVES TO MEET MARKET NEEDS

Recent organizational changes have been made at the EDA to more effectively respond to the evolving needs of the market and best support advancement of Governor Murphy's stronger and fairer economic agenda. Most recently, we welcomed Brian Sabina, who joins us as a Senior Vice President, tasked with creating and leading the new Office of Economic Transformation (OET) at the EDA. The OET's mission is to accelerate the growth of New Jersey's economy by developing and implementing initiatives and programs that will enhance the State's long-term economic competitiveness in such sectors such as clean energy, infrastructure, advanced manufacturing, technology, and life sciences.

In April, Allison Kopicki was named as EDA's Director of Policy, Planning and Research. Allison is responsible for building out EDA's capabilities in key areas including policy development and implementation, program evaluation and economic reporting. Allison's team will conduct research, evaluation, and data analysis to support the creation of new initiatives and maximize the impact of existing EDA programs. The EDA also recently welcomed Wesley Mathews, serving as a Senior Policy Advisor focused on industry and international trade and investment initiatives.

I would also like to acknowledge a change in leadership at one of the EDA's key partner organizations. The Board of Choose New Jersey recently announced that Jose Lozano, Chief of Staff and Vice President for Corporate Services and Governance of Hackensack Meridian Health, will join Choose NJ as its President and CEO on June 1.

Governor Murphy also continued to take action in April to build a stronger and fairer New Jersey. An executive order signed last week establishes the Task Force on Employee Misclassification, which is charged with evaluating existing misclassification enforcement by executive departments and agencies to develop best practices for coordination of information and efficient enforcement, and developing recommendations to foster compliance with the law, including educating employers, workers, and the public about misclassification. I am pleased to have been asked to serve on this Task Force, along with representatives from the Departments of Labor and Workforce Development, Treasury, Law and Public Safety, Agriculture, Banking and Insurance, Human Services, and

Transportation. Earlier in the month, Governor Murphy signed Executive Order #23, directing the Department of Environmental Protection, with support from other state agencies, to develop guidance on how all state departments can incorporate environmental justice considerations into their actions.

### **STATE SUPPORT OF INNOVATION ECONOMY BUILDS**

The EDA announced that technology and life sciences companies in New Jersey seeking to raise non-dilutive capital can apply to the Technology Business Tax Certificate Transfer (NOL) Program until June 30, 2018. The NOL program enables eligible technology and life-sciences companies to sell New Jersey net operating losses and unused research and development tax credits to unrelated profitable corporations for cash, which can be used for working capital or to fund research. The EDA and the New Jersey Department of Treasury's Division of Taxation administer the program. The list of preliminary approvals under the program will be presented to the Board by early fall.

Following Governor Murphy's announcement in March regarding the Innovation Hub in New Brunswick, the Board will be presented today with a request to help advance this exciting initiative to the next step. The Hub represents the opportunity for New Jersey to create incubator and research space for next-generation companies and academic research facilities and attract new corporate entrepreneurial tenants. Today's action would solidify the agreement between the EDA and DEVCO to prepare a preliminary assessment and strategy for development of the 12-acre site, which has been approved for up to four million square feet of commercial development.

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

Focusing on another promising area of growth within New Jersey's technology ecosystem, I had the opportunity in April to attend the Special Initiative on Offshore Wind's (SLOW's) Offshore Wind Summit, which was created to bring New Jersey policymakers together with New York State to consider areas for mutual action and cooperation that will most expeditiously advance offshore wind energy in the two states. Areas of possible collaboration between the states include coordination on siting and leasing, procurement and transmission, usage of infrastructure and ports to drive supply chain location, approaches to stakeholder engagement, and research and development.

Last month I was also pleased to visit a small business in Linden that benefited from EDA assistance. Family-owned Ammon Labs was established in 1998 as one man's mission to wage a battle against opioid addiction. Today, it has grown into a 150-employee operation offering a full suite of drug testing and monitoring solutions to addiction treatment professionals across the United States. Following its purchase of a larger, three-story 23,400-square-foot facility, an EDA loan was able to help close a gap between a refinancing loan provided by Provident Bank and funding required for additional improvements. The company expects to expand its services later this year to include genetic testing and data analytics, which will create several more skilled jobs.

In the month of April, EDA representatives participated as speakers, attendees, or exhibitors at 20 events. These also included the Morris County Chamber Women in Business Luncheon in Morristown and the NJTC Venture Conference in Jersey City.

**CLOSED PROJECTS**

Through April 2018, EDA closed on more than \$16 million in traditional lending assistance to support 41 projects, leveraging more than \$44 million in capital investment and the creation of 187 new permanent jobs.

In addition to the assistance provided through traditional lending programs, EDA also executed agreements pending certification with 12 projects for more than \$304 million, leveraging more than \$420 million in capital investment, the creation of more than 1,280 new jobs, more than 1,600 construction jobs, and the retention of 3,318 jobs at risk of leaving New Jersey.

A handwritten signature in black ink, appearing to be 'T. A.', written in a cursive style. The signature is positioned above a horizontal line.

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**AUTHORITY MATTERS**



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Tim Sullivan  
Chief Executive Officer

**DATE:** May 11, 2018

**RE:** Agreement for an Action Plan for Development of Technology Hub (New Brunswick)

**Summary**

The Members are asked to approve an Agreement with the New Brunswick Development Corporation (“DEVCO”) to prepare a preliminary assessment and strategy for the development of a technology and innovation hub in New Brunswick. DEVCO, in consultation with NJEDA, will retain the services of one or more consultants (“Consultants”) to develop an “Action Plan” that articulates a high-level operating and financial model for the 12-acre area located in downtown New Brunswick.

**Background**

Since 2014, DEVCO has been working with the City of New Brunswick and the New Brunswick Parking Authority (“NBPA”) to redevelop a 12-acre area located within the downtown and across from the train station. NBPA has entered into an exclusive marketing and agent agreement and an option agreement with DEVCO for the site. The City of New Brunswick has approved the site for approximately 4 million square feet of development, and the demolition of the existing structures has been conducted. The location represents a unique opportunity for an “Innovation Hub” that will focus on research commercialization and economic development to create incubator and research space for next-generation companies and academic research facilities; attract corporate and entrepreneurial tenants; and support a live/work/play environment, with housing and retail elements, close to public transit.

On March 19, 2018, Gov. Phil Murphy convened a meeting of leaders from government, higher education, healthcare and the pharmaceutical industry to announce support for the Innovation Hub and discuss his vision for growing the state’s innovation and technology sector.

NJEDA has the authority to undertake real estate projects to further economic development and has substantial experience partnering with local communities and leveraging public-private partnerships, managing large scale redevelopment projects, and has expertise in financing technology businesses. Based on NBPA’s selection of DEVCO as the exclusive marketing agent and potential purchaser of the site, EDA staff has reached a proposed agreement with DEVCO to develop an action plan for an Innovation Hub at the site. The Agreement (Attached) proposes that

NJEDA will contribute a maximum amount of \$100,000, funded through the Economic Recovery Fund, toward the costs of the services, contracted directly by DEVCO for a 50/50 match of funds for the services. The scope of work for the Action Plan (Exhibit A of Agreement) includes the following:

1. Assess the landscape of comparable innovation hubs and operating models in analogous states and metro areas.
2. Determine best practices among best-in-class universities commercializing research.
3. Articulate the hub's value mission, vision and objectives, as well as create high-level operating model and financial model.
4. Develop high-level value propositions, partnership arrangements, and initial target lists for various essential partner groups, including corporate tenants, and university and incubator partners.

Additionally, DEVCO and NJEDA agree to explore best practices and obtain further information individually or jointly to help inform the final set of recommendations regarding the development of the Innovation Hub.

**Recommendation**

In summary, I ask for the Members' consent to enter into the Agreement with DEVCO generally consistent with the form attached, which is in substantially final form, and with final terms subject to the approval of the Chief Executive Officer, the President/Chief Operating Officer, and the Attorney General's Office.



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Tim Sullivan  
Chief Executive Officer

Attachment  
Prepared by: Allison Kopicki

## AGREEMENT

THIS AGREEMENT is made as of the date last signed between the NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (“NJEDA”), an instrumentality of the State of New Jersey having its address at 36 West State Street, P.O. Box 990, Trenton, New Jersey 08625-0990, and NEW BRUNSWICK DEVELOPMENT CORPORATION (“DEVCO”), a nonprofit corporation of the State of New Jersey, having its address at 120 Albany Street Tower 1, New Brunswick, NJ 08901, (each a “Party” and collectively the “Parties”) regarding an action plan for development of a technology hub in New Brunswick.

WHEREAS, the New Jersey Legislature established NJEDA pursuant to L. 1974, c. 80 to promote economic development and increase employment opportunities in the State of New Jersey, and in pursuit of that purpose, NJEDA is committed to urban and technology related development in the State;

WHEREAS, NJEDA is authorized to undertake real estate development to accomplish its statutory purpose; and NJEDA has substantial experience partnering with local communities and leveraging public-private partnerships, has managed large scale redevelopment projects, and has expertise in financing technology businesses;

WHEREAS, New Brunswick is situated near many global pharmaceutical and life sciences businesses, research institutions, and leading medical centers; has access to mass transit; and is the home of Rutgers University;

WHEREAS, there is a 12-acre area located within the downtown and across from the train station in New Brunswick;

WHEREAS, the initial phase of development will take place on a 4-acre parcel which is currently owned by the New Brunswick Parking Authority (“NBPA”) on behalf of the City of New Brunswick (“City”) and which is located at 1 Penn Plaza in New Brunswick (“Phase 1 Site”);

WHEREAS, the NBPA is a body corporate and politic of the State of New Jersey;

WHEREAS, on April 29, 2014, the NBPA and DEVCO entered into an exclusive marketing and agent agreement for the purposes of identifying future redevelopment projects to be located at the Phase 1 Site in downtown New Brunswick;

WHEREAS, on August 24, 2016, the NPBA and DEVCO entered into an Option Agreement that establishes two five-year terms during which DEVCO is granted the exclusive opportunity (1) to purchase all or a portion of the Phase 1 Site, (2) to market and/or develop the Phase 1 Site, and (3) to demolish the existing structures on the Phase 1 Site to ready it for redevelopment;

WHEREAS, DEVCO has completed the demolition of the existing structures on the Phase 1 Site, including the former Ferren Parking Deck, at a cost of \$3.2 million, the funding for which has been provided by DEVCO;

WHEREAS, the City of New Brunswick has targeted the Site, including the Phase 1 Site, for redevelopment for the past several years;



WHEREAS, the City of New Brunswick has approved the Site for the development of approximately four million square feet of development through the adoption of a Redevelopment Plan for the Phase 1 Site dated June 6, 2017 and the adoption of a Redevelopment Plan for the New Street portion of the Site dated May 7, 2008;

WHEREAS, DEVCO was created in 1976 as a private nonprofit urban real estate development company to serve as a catalyst for the revitalization of New Brunswick and has significant expertise in redevelopment and in creating strategic alliances, strong public-private partnerships, and innovative project financing structures; and

WHEREAS, in support of their respective missions and purposes, as well as for the benefit of the people of the State of New Jersey and the residents of New Brunswick, the Parties wish to enter into an agreement for an action plan of a technology hub that focuses on innovation, technology, and life sciences and to collaborate on one or more reports regarding the technology hub.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the Parties agree as follows:

**SECTION 1. Action Plan.**

DEVCO, in consultation with NJEDA, will retain the services of one or more consultants (“Consultants”) to perform the scope of work specifically set out in Exhibit A attached to this Agreement and made a part hereof (“Services”), as said Exhibit may be amended in writing from time to time by mutual consent of the Parties, and will require the Consultants to agree, subject to the terms and conditions of this Agreement, to render such Services during the term of this Agreement.

**SECTION 2. NJEDA Contribution.**

NJEDA shall contribute a maximum amount of \$100,000 toward the costs of the Services subject to the availability of budgetary resources (“NJEDA Contribution”). The NJEDA Contribution shall be used for the sole purpose of reimbursing DEVCO for payment to the Consultants, as evidenced by an executed contract(s) between DEVCO and the Consultants and invoices charged directly against the contract(s). DEVCO shall not utilize any portion of the NJEDA Contribution to reimburse itself for the cost of its staff salaries, administrative costs, or other overhead.

**SECTION 3. Selection of Consultants.**

DEVCO shall contract for the Services directly with the Consultants pursuant to the contract selection procedures utilized by DEVCO as the Optionee of the Phase 1 Site. The general terms and conditions of such contract(s) shall be consistent with agreements typically entered into by DEVCO as the Optionee of the Phase 1 Site and additionally shall provide for: (a) its termination at any time, and (b) insurance and indemnification of NJEDA by the Consultants. DEVCO shall consult with NJEDA in the proposal review and selection process and in any revision or further clarification of the scope of work of the Services. DEVCO will provide NJEDA with copies of the executed contract(s), and any amendments, with the Consultants.

**SECTION 4. Rights of NJEDA.**

NJEDA shall have the right to (a) attend meetings with the Consultants, (b) provide direction to DEVCO regarding the work being performed by the Consultants, and (c) review all draft work product from the Consultants.

**SECTION 5. Reimbursements.**

Subject to the limitations set forth in Section 2, NJEDA shall reimburse DEVCO for fifty percent (50%) of the cost of the Services within thirty (30) days after NJEDA has received a written requisition with original documentation, reasonably satisfactory to NJEDA, evidencing that costs have been properly incurred and are for services related to the Services. Requisitions shall not be submitted to NJEDA more frequently than once per month. Each request for reimbursement shall constitute a certification by DEVCO that all funds currently requisitioned have been applied to the completion of the Services. DEVCO shall provide any additional documentation and supporting information as NJEDA shall reasonably request.

Acceptance of reimbursements from the NJEDA Contribution by DEVCO shall constitute an affirmation by DEVCO, to the best of its knowledge and belief after due inquiry and investigation, that the representations and warranties made by DEVCO in this Agreement are and remain true and correct in all material respects as of the date thereof, unless NJEDA is notified in writing to the contrary.

In the event that any funds from the NJEDA Contribution are utilized for any purpose other than the Services, DEVCO shall promptly, upon demand by NJEDA, repay NJEDA any and all funds not utilized for the Services. The provisions of this Paragraph shall survive the expiration or earlier termination of this Agreement.

**SECTION 6. Ownership of Work Product.**

Work product of the Services shall be owned by the Parties. Each Party agrees not to assign or otherwise transfer its interest in the work product of the Services to any other party without prior written consent from the other Party.

**SECTION 7. Additional Collaboration.**

- (a) In addition to the Services provided by the Consultant(s), NJEDA and DEVCO agree to explore individually or jointly best practices utilized by other public and private co-ventures that have developed or are developing similar technology hubs, as well as, conduct interviews with local and regional stakeholders, academic leaders, industry experts, and others regarding a technology hub development at the Site, all of which will help inform the final set of recommendations regarding the development of the innovation, technology, and life sciences hub at the Site.
- (b) The action plan is intended to provide the Parties with a preliminary assessment regarding the creation of a technology hub; neither the action plan nor this Agreement shall preclude DEVCO or NJEDA from participating in future redevelopment work, projects, and applying for EDA incentives or financing, provided they meet the qualifications of the incentives or financing, or any combination thereof, regarding the Phase 1 Site, including development of a technology hub, subject to applicable law. The parties acknowledge that the action plan,

may not be the sole source of information for evidence required that may be required future qualifications for EDA

**SECTION 8. Representations and Warranties of DEVCO.**

DEVCO hereby represents and warrants to NJEDA, to the best of DEVCO's knowledge, information, and belief, as follows: (a) all statements, representations, and warranties made by DEVCO in connection with this Agreement, and any other materials furnished in support of this Agreement, are true and complete in every material respect as and when made; (b) no Event of Default has occurred under this Agreement or any other document referred to herein and no event has occurred and is continuing which, with the giving of notice or the passage of time or both, would constitute such an Event of Default; (c) DEVCO has full legal right, power, and authority to enter into this Agreement and to consummate the transactions contemplated herein; and (d) this Agreement has been duly authorized, executed, and delivered by DEVCO and, assuming the due authorization execution and delivery by NJEDA, constitutes a valid and binding agreement of DEVCO enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, and other laws affecting the rights of creditors generally or equitable principles, whether considered in a proceeding at law or in equity.

**SECTION 9. Representations and Warranties of NJEDA.**

NJEDA hereby represents and warrants to DEVCO, to the best of NJEDA's knowledge, information and belief, that NJEDA has full power and authority to enter into this Agreement.

**SECTION 10. Term of the Agreement.**

This Agreement will commence immediately upon execution by both Parties. It is the intention of the Parties for DEVCO to commence the selection of the Consultants and the performance of the Services as soon as possible and to conclude the Services pursuant to a schedule that is mutually agreeable to the Parties at the time of selection of the Consultants.

Each Party reserves the right to terminate this Agreement at any time. The Party requesting termination shall notify the other Party, in writing, 30 days prior to the anticipated termination date. Upon any termination of this Agreement by either Party, with or without cause, neither Party shall have any right to actual or liquidated damages against the other Party arising out of this Agreement for Services (except for the reimbursement obligation set forth in Section 5, above, to the extent that expenses for the Services have been incurred or committed).

Unless terminated by either Party, this Agreement shall terminate upon the later of payment by NJEDA of the NJEDA Contribution to DEVCO or the completion of the Services.

**SECTION 11. No Assignment.**

This Agreement shall not be construed to create any rights on behalf of any person or entity other than DEVCO and NJEDA. DEVCO shall not assign or delegate this Agreement, any rights or duties hereunder, or any portion of the NJEDA Contribution without the prior written consent of NJEDA, which consent shall be at NJEDA's sole discretion.

**SECTION 12. Indemnification.**

DEVCO agrees to defend, indemnify, and hold NJEDA, its directors, agents, and employees (“Indemnified Parties”) harmless for any costs, claims, damages, liability, or expenses, including, but not limited to, attorneys’ fees, that may arise from the action plan contemplated in this Agreement, provided, however, that the foregoing shall not extend to any losses arising from the negligence or willful misconduct of an Indemnified Party. The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

**SECTION 13. Events of Default.**

Each of the following shall constitute an Event of Default under this Agreement:

(a) Default in the observance or performance of any material term, covenant, or condition contained herein for thirty (30) days after the giving by NJEDA to DEVCO of written notice thereof, or, in the case of a default which is susceptible of being cured but which cannot with due diligence be cured within such period of thirty (30) days, if DEVCO fails to proceed with all due diligence within said thirty (30) day period to commence to cure the same and thereafter to prosecute the curing of such default with due diligence and continuous effort.

(b) NJEDA reasonably determines that any statement contained in this Agreement is not as represented by DEVCO, and that the difference between the condition(s) as it actually exists and as it was represented is material.

DEVCO shall give NJEDA prompt written notice of the occurrence of any event or condition that would reasonably lead to an Event of Default at such time as any senior officer or president of DEVCO becomes aware of the existence thereof.

**SECTION 14. Remedies of NJEDA.**

(a) Whenever any Event of Default referred to in Section 12 of this Agreement shall have occurred and be continuing, NJEDA may take any and all actions at law or in equity necessary to enforce performance and observance of any obligation, warranty, agreement, or covenant of DEVCO under this Agreement.

(b) NJEDA may demand that an amount equal of the NJEDA Contribution previously disbursed to DEVCO received under this Agreement be immediately returned to NJEDA and upon written notice to DEVCO, the same shall be immediately due and payable by DEVCO. Any moneys collected by NJEDA pursuant to this Section shall be applied, in order of priority, first, to pay any amounts to be repaid to NJEDA from the NJEDA Contribution, and second, to pay any attorneys’ fees or other fees and expenses owed by DEVCO pursuant to this Agreement.

(c) If NJEDA shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued, abandoned for any reason, or shall have been determined adversely to NJEDA, then DEVCO and NJEDA shall be restored to their respective positions and rights hereunder, and all rights, remedies, and powers of DEVCO and NJEDA shall continue as though no such proceedings had taken place.

(d) No remedy herein conferred or reserved to NJEDA is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle NJEDA to exercise any remedy reserved to it under this Section, NJEDA shall not be required to give notice other than such notice as may be required in this Section.

(e) In addition to the above remedies, if DEVCO commits a breach, or threatens to commit a breach of this Agreement, NJEDA shall have the right and remedy, without posting bond or other security, to have the provisions of this Agreement specifically enforced by any court having equity jurisdiction, as the Parties acknowledge and agree that any such breach or threatened breach will cause irreparable injury to NJEDA and that money damages will not provide an adequate remedy therefor.

(f) NJEDA shall not be required to do any act whatsoever or exercise any diligence whatsoever to mitigate the damages to DEVCO if any Event of Default shall occur hereunder.

(g) In the event of an Event of Default, NJEDA shall not be liable for any obligation, work, payment, or expense due from or caused by DEVCO related to the Services, whether or not NJEDA exercises any or all of the remedies available to it.

#### **SECTION 15. General Conditions.**

The following conditions shall be applicable throughout the term of this Agreement:

(a) Disbursements hereunder shall not constitute an approval or acceptance by NJEDA of any design or undertaking by DEVCO with regard to the Site or the redevelopment of the Site.

(b) All conditions of the obligations of NJEDA to make any disbursement hereunder are imposed solely and exclusively for the benefit of NJEDA, DEVCO, and their permitted assigns, and no other party shall have standing to require satisfaction of such conditions in accordance with their terms or be entitled to assume that NJEDA will refuse to make any disbursement in the absence of strict compliance with any or all such conditions. No other party shall, under any circumstances, be deemed to be a beneficiary of such conditions.

#### **SECTION 16. Notices.**

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

TO NJEDA:  
New Jersey Economic Development Authority  
36 West State Street  
P. O. Box 990  
Trenton, New Jersey 08625-0990  
Attention: Allison Kopicki, Director of Planning, Policy, and Research

TO DEVCO:  
New Brunswick Development Corporation  
120 Albany Street  
Tower 1, 7<sup>th</sup> Floor  
New Brunswick, NJ 08901  
Attention Christopher J. Paladino, President

Either Party may, by notice given in the manner provided for in this Section, change its address for all subsequent notices, except that neither Party may require notices to it to be sent to more than two addresses. Except where otherwise expressly provided to the contrary in this Agreement, notice shall be deemed given when actually received or refused by the addressee. Notice may be given on behalf of a Party by its attorney when authorized by the Party's client.

**SECTION 17. Modifications.**

The entire agreement between the Parties is contained herein and no change, modification, termination, or discharge of this Agreement shall be effective unless in writing and signed by the Party to be charged therewith.

**SECTION 18. Rights Cumulative.**

No right or remedy conferred upon NJEDA in this Agreement is intended to be exclusive of any other right or remedy contained in this Agreement or in any other documents, and every such right or remedy shall be cumulative and shall be in addition to every other right or remedy contained in this Agreement or now or hereafter available to NJEDA at law, in equity, by statute, or otherwise.

**SECTION 19. Severability.**

If any of the provisions of this Agreement, or the application thereof to any party or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision or provisions to parties or circumstances other than these as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

**SECTION 20. No Liability.**

Each Party will use its best efforts to ensure the completion of the Services; however, NJEDA is not liable for any obligation that DEVCO may have arising from its contract(s) with the Consultants, the Site, or the redevelopment of the Site. No Board member, director, officer, agent, or employee of NJEDA shall be held personally liable under any provision of this Agreement or because of its execution or attempted execution or because of any breach or alleged breach hereof.

**SECTION 21. Governing Law.**

This Agreement shall be governed by and construed under the laws of the State of New Jersey.

**SECTION 22. Interpretation.**

The Parties waive any statutory or common law presumption which would serve to have this document construed in favor or against either Party as the drafter.

**SECTION 23. Successors and Assigns.**

The provisions and covenants of this Agreement binds the Parties and shall inure to the benefit of the Parties, their heirs, executors, administrators, successors, and assigns.

**SECTION 24. New Jersey Contractual Liability Act.**

Notwithstanding any provision in this Agreement or in the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., to the contrary, the Parties agree that any and all claims made by DEVCO against the NJEDA for damages, including, but not limited to costs and expenses, shall be governed by and subject to the provisions of the New Jersey Contractual Liability Act.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered as of the last date written below.

[SIGNATURE PAGE FOLLOWS]

WITNESS:

NEW JERSEY ECONOMIC DEVELOPMENT  
AUTHORITY

\_\_\_\_\_

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

Tim Sullivan  
Chief Executive Officer

Dated:

WITNESS:

NEW BRUNSWICK DEVELOPMENT  
CORPORATION

\_\_\_\_\_

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

Christopher J. Paladino  
President

Dated:



## **EXHIBIT A: Scope of Work**

The following is a summary of the scope of work associated with the development of an Action Plan in connection with the establishment of an operating model and partner value proposition associated with a New Brunswick Innovation Hub.

### **A. SET AND ALIGN KEY STAKEHOLDERS AROUND THE INNOVATION HUB'S VISION, MISSION AND STRATEGIC OBJECTIVES**

#### **Assess the landscape of comparable innovation hubs to understand current offerings and operating models**

- Identify focus areas and value propositions of existing incubators/innovation hubs in analogous states and metro areas
- Conduct interviews with 3-5 comparable incubators
- Identify a list of archetypes and best practices from successful innovation hubs around the world

#### **Articulate the hub's value mission, vision, and objectives as well as high-level operating model, and financial model**

- Detail out a draft of the Innovation Hub's mission, vision, and high-level objectives, based on state-wide priorities and sector focus areas, including high-level tenant mix
- Build a high-level draft of the Innovation Hub's high-level operating model, including rough partner mix, tenant mix, space and services offered, and evolution of those factors over time, all drawing on the New Brunswick Innovation Hub's mission, vision and objectives as well as experience of peer innovation hubs/incubators
- Develop a draft high-level financial model for the Innovation Hub

### **B. DEVELOP HIGH-LEVEL VALUE PROPOSITIONS, PARTNERSHIP ARRANGEMENTS, AND INITIAL TARGET LISTS FOR DIFFERENT PARTNER GROUPS**

#### **Develop draft high-level value proposition for anchor *corporate tenants* and short-list of targets**

- Articulate a data-driven high-level value proposition for corporate anchor tenants, by leveraging data on location, talent, institutional assets, infrastructure, etc. in New Jersey and New Brunswick and by drawing on frameworks developed as part of the Newark/New Jersey Amazon bid
- Develop a draft 10-15 slide pitch deck in PowerPoint for target anchor corporate partners

**Develop draft high-level value proposition and high-level partnership arrangement for anchor *university partners* and understand key success factors of universities strong in commercialization**

Articulate draft high-level value proposition and high-level partnership arrangements specifically for Rutgers (including space occupancy and usage, financial commitment, professor and student involvement, commercialization partnerships, etc.), and drawing on unique attributes of the New Brunswick opportunity and on anchor university partnership models in other comparable incubators around the country

Articulate draft high-level value proposition and high-level partnership arrangement for other New Jersey and nearby universities, drawing on models used in other comparable incubators around the country

Articulate draft high-level value proposition, high-level partnership arrangement, and 10-15 slide pitch deck in PowerPoint for other national and international universities, drawing on models used in other comparable incubators that have attracted national and international university partners

Review best practices in university IP commercialization and provide high-level perspectives on best practice university IP commercialization practices for the Innovation Hub project leadership to share with Rutgers

**Develop draft high-level partnership arrangement for *incubator partners***

Articulate draft high-level partnership arrangement with real estate incubator operators, e.g., Wexford, and finance/services incubator operators, e.g., Mass Challenge, drawing on models used in other comparable incubators

Develop a 1-2 page Request for Information (RFI) to be shared with short-list potential partners to gather additional data



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Timothy J. Lizura  
President & Chief Operating Officer

**DATE:** May 11, 2018

**RE:** Small Business Bonding Readiness Assistance Program

### **Request**

The Members are requested to approve entering into a contract with the African American Chamber of Commerce of New Jersey (AACCNJ) to assist the Authority with the establishment and operation of the Small Business Bonding Readiness Assistance Program (the Program) and Small Business Bonding Readiness Assistance Fund (the Fund), pursuant to P.L.2016, c.84, to provide surety bonding support services and assistance to small businesses.

The contract award is based on total operating budget not to exceed two-hundred fifty thousand (\$250,000) dollars, as appropriated through the Appropriations Act of Fiscal Year 2018, P.L. 2017, c. 99, for the establishment and maintenance of the Program and Fund.

The contract provides for an initial contract term of two (2) years, with two (2), one (1) year extension options to be exercised at the sole discretion of the Authority, at the same terms and conditions, based on the Board-approved contract and subject to future funding appropriations.

### **Background**

P.L.2016, c.84 requires the Authority to establish and maintain: (1) a Small Business Bonding Readiness Assistance Program that would provide small businesses training and surety bonding education through a series of workshops and strategic consulting sessions to increase small businesses' bonding knowledge and capacity; and (2) a Small Business Bonding Readiness Assistance Fund to provide grant funding to small businesses that participate in the program, and to an association that provides small businesses participating in the program with support services and assistance. The collective goal of the Program and Fund is to better position small businesses to qualify for surety bonding and, as a result, more competitively bid on public works projects or perform contracts offered by the State or by the federal government.

P.L.2016, c.84, also requires the Authority to enter into an agreement with a non-profit business advocacy association to provide support services and assistance to small businesses seeking surety bonding.

Given the Authority's limited experience in the area of surety bonding and understanding that external perspective would be helpful in determining how to best meet the legislative intent, Authority staff conducted research into how other states/localities have structured similar types of programs. This research was then used as the basis for Request for Information (RFI) to be issued to the business advocacy association community on January 16, 2018 for ideas and potential models of how such a Program and Fund would operate.

Two (2) responses to the RFI were received by the due date, after which the Authority moved forward with an RFP/Q seeking to identify a contractor to assist the Authority with establishing and operating the Program and Fund.

### **RFP/Q for Small Business Bonding Readiness Assistance Program**

On March 23, 2018, the Authority issued a Request for Qualifications/Proposals (RFQ/P), #2018-RFQ/P-079 for a non-profit business advocacy association to provide support services and assistance to small businesses seeking surety bonding and to assist the Authority with establishing and maintaining the Program and Fund.

This RFP/Q was advertised, posted to the Authority's website and the State Business Portal and distributed to potentially interested Proposers, via broadcast email. An optional pre-proposal conference was held on April 4, 2018 during which the specifications were reviewed with interested Proposers and questions and answers were addressed and documented. In response to this solicitation, one (1) proposal was received by the stated deadline, April 24, 2018, which was determined to be responsive.

An evaluation committee ("the Committee") comprised of the Senior Vice President, Governance, Communications & Strategic Initiatives, Program Manager - Business Banking & Community Development, Program Manager - Marketing & Product Development, Business Development Officer, and Communications Coordinator then reviewed and scored the responsive proposal.

As part of its review and evaluation of the proposals, the Evaluation Committee considered a group of pre-established evaluation criteria, which included multiple factors established in the RFP/Q, including: the qualifications and experience of the management, supervisory, and key personnel assigned to the contract; documented experience in successfully completing contracts of a similar size and scope; ability of firm to complete the Scope of Work based on its Technical Proposal; and pricing.

Based on a thorough review of proposals, the Committee recommends the selection of AACCNJ. With the above factors considered, AACCNJ demonstrated the experience and expertise necessary to assist the Authority with establishing and operating the Program and Fund. It is the policy of the Authority that to be considered for award, a Proposer must achieve or exceed an overall score of three ("3") indicating a rating of "Good", on a scale of 1-5 with 5 being the highest rating. AACCNJ received an overall score of 4.24. The Evaluation Committee Summary matrix form is attached.

### **African American Chamber of Commerce of New Jersey Proposal**

AACCNJ incorporated in 2007 as a 501(c) (3) non-profit, non-partisan, non-sectarian organization dedicated to the economic empowerment of Black communities. The intent of the AACCNJ is to eradicate the stain of exclusion in disenfranchised communities by providing education, training and mentorship in life skills, business skills, and workplace skills, for not only Black Americans, but all small business contractors that need a leg up to qualify for bonding. AACCNJ exists to educate small business owners, with a focus on African American-owned small businesses, on the principles of running a successful enterprise, and how to procure resources and foster relationships that will help them compete and sustain their business.

Classes will be taught by subject matter experts, some of whom are AACCNJ staff, others are brought in as 1099 consultants to share their expertise with the participants. Classes will be taught to enhance business practices in the following subject areas: bonding and insurance, business development, financial statements, construction and contract law, construction management, estimating, personal credit, and business credit.

Personalized, one-on-one advisory services will be offered concurrently with the class curriculum. The one-on-one consultations will begin with an initial assessment of each contractor based upon detailed criteria. Once a baseline profile is established, subsequent advisory meetings will focus on a full review and assessment customized to the baseline profile.

Through the Fund, applicants that are accepted into the Program will be screened and recommended by AACCNJ to the Authority for grants of \$4,380 to be applied to tuition for program participation, so that there is no cost to the small business to participate. A final decision on any individual application for grant funding through the Fund will be subject to the review and approval of the Authority. It is estimated that a minimum of 25 small businesses will graduate the Program within a twelve-month period from the launch date of the Program, defined as the date in which applications are made available to the public.

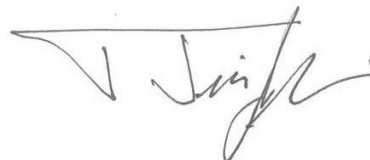
### **Process, Budget and Payment**

The \$250,000 contract award will be expended incrementally over the contract term as services are performed and deliverables are met in accordance to timelines and budget outlined in the proposal. Of the total contract award, based on the proposal submitted by the vendor, approximately \$31,000 will be utilized for assisting the Authority with the initial setup and development of the Program and Fund, approximately \$188,000 will be utilized for the assisting the Authority with the launch and implementation of the Program and Fund (approximately \$110,000 budgeted for tuition grants and \$78,000 budgeted for training), and approximately \$31,000 will be utilized for the monitoring and reporting of Program results to the Authority.

### **Recommendation**

The Members' approval is requested to (1) enter into a two (2) year contract, with two (2), one (1) year extension options, to be exercised at the sole discretion of the Authority, at the same

terms and conditions based on the Board-approved contract and subject to future funding appropriations, with the African American Chamber of Commerce of New Jersey, to assist the Authority with establishing and maintaining the Small Business Bonding Readiness Assistance Program and Fund, pursuant to P.L.2016, c.84. The contract award is based on an operating budget of \$250,000 as appropriated through the Appropriations Act of Fiscal Year 2018, P.L. 2017, c. 99. The final contract will be subject to the approval of the Chief Executive Officer and the Attorney General's Office; (2) delegation to Authority staff (Director within Finance & Development) to extend the contract with AACCNJ; and (3) delegation to Authority staff (Director within Finance & Development) to approve the provision of grant moneys to the small businesses through the Fund, based on the recommendation of the AACCNJ.



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Prepared by: Pat Rose

Attachments:

- 2018-RFQ/P-079 Evaluation Score Summary



**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
EVALUATION SCORE SUMMARY**

<b>RFQ/P / BID #:</b>		<b>2018-RFQ/P-079</b>		
<b>RFQ/P TITLE:</b>		<b>Small Business Bonding Readiness Assistance Program</b>		
<b>REQUESTOR:</b>		<b>Pat Rose</b>		
<b>DEPARTMENT:</b>		<b>Marketing &amp; Public Affairs</b>		
ITEM #	EVALUATION CRITERIA	% WEIGHT	African American Chamber of Commerce	
			TOTAL SCORE	WEIGHTED SCORE
1	<b>Personnel:</b> The qualifications and experience of the Proposers management, supervisory, and key personnel assigned to the contract, including the candidates recommended for each of the positions/roles required.	20.0%	20.00	4.00
2	<b>Experience of firm:</b> The Proposers documented experience in successfully completing contracts of a similar size and scope in relation to the work required by this RFP, based, in part, on the Proposer's submitted narratives and references.	25.0%	21.00	5.25
3	<b>Ability of firm to complete the Scope of Work based on its Technical Proposal:</b> The Proposers demonstration that the Proposer understands the requirements of the Scope of Work and presents an approach that would permit successful performance of the technical requirements of the contract. Proposer's turnaround timeframes are critical and will be closely evaluated for both content and completion timeframes.	40.0%	20.50	8.20
4	<b>Pricing:</b> Competitiveness of Fee Schedule. Bidder's will be ranked and weighted according to the PHASE II - Launch & Implementation cost, per the Fee Schedule	15.0%	25.00	3.75
<b>TOTAL WEIGHTED SCORE</b>		<b>100.0%</b>		<b>21.20</b>
<b>TOTAL WEIGHTED SCORE DIVIDED BY (5) COMMITTEE MEMBERS</b>				<b>4.24</b>
<b>ON A SCALE OF 1-5, EVALUATE AND SCORE THE ABOVE PROPOSAL AS FOLLOWS:</b> 1 - POOR    2 - FAIR    3 - GOOD    4 - VERY GOOD    5 - EXCELLENT				

## **INCENTIVE PROGRAMS**



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



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** May 11, 2018

**SUBJECT:** Just Greens, LLC dba Aerofarms. (“Aerofarms”) - Modification  
\$6,555,000 Grow New Jersey Assistance Program (“Grow NJ”) – P39142

**Request:**

Consent to the following changes to the Grow NJ approval:

1. Decrease the Qualified Business Facility (“QBF”) located at 212 Rome Street, Newark by 25,853 sf from 52,800 sf to 26,947 sf;
2. Decrease the estimated capital investment of the project from \$19,252,253 to \$11,120,528;
3. Approve second six-month extension from June 9, 2018 to December 9, 2018.

These changes will decrease the QBF by 49% (52,800 sf to 26,947 sf) but will not impact the size of the \$6,555,000 award or the creation of 69 new jobs incented by the original Grow NJ award. Board action is required because the change in square footage and capital investment exceeds the 25% staff delegation threshold and Board approval is required to approve a second six month extension to complete the project.

**Background:**

Just Greens, LLC dba Aerofarms is an aeroponic grower of leafy greens. Compared to soil-based methods, aeroponics consumes significantly less water due to the aeroponic system's direct application of nutrients to the roots. This method coupled with the use of LED lighting, instead of sunlight, allows the company to grow leafy greens indoors on a year-round basis without the use of soil or pesticides.

On December 9, 2014, Aerofarms was approved for a ten year \$6,555,000 Grow NJ award for the development of a 52,800 sf headquarters and production facility located at 212 Rome Street, Newark incenting the creation of 69 new jobs. The estimated eligible capital investment to complete the project was \$19,252,253. Concurrently, an Economic Redevelopment and Growth Grant (“ERG”) was approved for the applicant’s landlord and developer for a 9.48 % of costs, not to exceed \$2,214,192.

In May 2017, Aerofarms was also approved for a second Grow NJ award of \$11,147,360 Grow NJ award to incnt the construction of a 77,000 sf growing facility and the creation of 56 jobs in Camden. The two Grow NJ projects are being built independently of each other, by different developers and there are no provisions in the approvals that require both to be built in order for either to qualify to receive the Grow NJ at each location. The Camden project has provided its progress report for November 2017 and is in process of completing its May 2018 report. Estimated project completion is May 2020.

With regard to the Newark project, at approval, Aerofarms anticipated completing construction of both the manufacturing space and headquarters, and the creation of 69 jobs by September 2015. The developer has had delays in the construction of the remaining 25,853 sf of the project, which would house the Aerofarms headquarters. Recognizing the project would not be completed within the required three year statutory time period for certification under the NJ Grow law, Aerofarms requested and was allowed a six-month extension to the deadline from December 9, 2017 to June 9, 2018. The ERG, as mentioned above, while sharing the common footprint of the Grow project, will not require a modification of the ERG timeline for completion and certification.

The closing of the financing for the unconstructed portion of the QBF is imminent, but Aerofarms does not anticipate completing the rehabilitation of the additional portion of the original QBF until 2020, which is after the maximum four years allowed by statute. Therefore, Aerofarms has submitted this request for an approval to modify its QBF to the space that will be completed before the four-year deadline. Once the unconstructed portion is complete, Aerofarms intends to apply to add the completed headquarters space to the QBF to provide flexibility for the 69 incented GrowNJ jobs to move freely within the larger facility. Any future request by the applicant to add will be a separate decision by EDA's Board, at its sole discretion.

Aerofarms is requesting a 25,853 reduction in square footage from the approved project's 52,800 sf, eliminating the unfinished portion of the QBF. The applicant has also requested a second six month extension to the certification deadline through December 9, 2018. This will allow the applicant sufficient time to certify its capital investment and employees prior to the December 9, 2018 deadline.

Aerofarms had also intended to add 2,500 sf of office space on Freeman Street within a proximate distance from its existing facility to allow for the placement of 19 new employees. However, due to a zoning change that would be required for that site, and the unlikelihood of its resolution and project completion prior to certification, the company will not add the Freeman Street space at this time, but will still attempt to find an alternate 2,500 sf site that is proximate to the existing QBF prior to certifying its costs. Once identified, the location and size of the space will be provided to EDA for review and consideration as an adjustment under delegated authority or a modification to the QBF.

To date, Aerofarms has spent \$10,788,957. The proposed modification changes the total square footage of the project from 52,800 sf to 26,947 sf. This represents a 49% decrease, and results in a decrease of the minimum capital investment from \$1,056,000 to \$538,940. Aerofarms anticipates a total capital investment of \$11,120,528.

The total anticipated capital investment for the project will be reduced from \$19,252,253 to \$11,120,528 (42%.) This requires a recalculation of the Net Benefit Test ("NBT") to determine whether there is still a net positive economic benefit to the State. With the smaller 26,947 sf QBF and current salaries provided by the company, the recalculated net benefit to the State is \$1,724,050. The NBT is further reduced by \$1,129,238, which is the portion of the ERG that relates to the Grow project footprint. No adjustment was made to the Net Benefit test to deduct the Clean Energy Grant because the applicant is not receiving that benefit for the portion of the QBF as modified here.

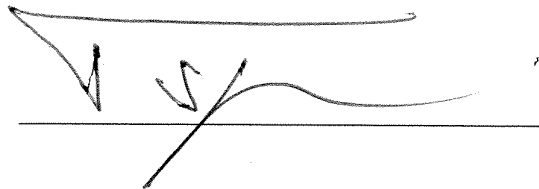
**Summary of Project Changes:**

	<u>At Approval</u>	<u>As Proposed</u>
<b>Jobs</b>	69 (New)	69 (New)
<b>Total Award Amount</b>	\$ 6,555,000	\$ 6,555,000
<b>Square Footage</b>	52,800 sf	26,947 sf
<b>Minimum Capital Investment</b>	\$ 1,056,000	\$ 538,940
<b>Estimated Capital Investment</b>	\$ 19,252,253	\$ 11,120,528
<b>Gross Benefit to the State (Over 20 Years, Prior to Award)</b>	\$ 11,898,158	\$ 9,408,288
<b>Net Benefit to the State (Over 20 Years, Net of Award)</b>	\$ 5,343,158	\$ 2,853,288
<b>Net Benefit to the State (Over 20 Years, Net of Award, ERG and Clean Energy Grant)</b>	\$ 2,028,866	\$ 1,724,050

**Recommendation:**

Consent to the following changes to the Grow NJ approval:

1. Decrease the QBF located at 212 Rome Street, Newark by 25,853 sf from 52,800 sf to 26,947 sf;
2. Decrease the estimated capital investment of the project from \$19,252,253 to \$11,120,528; and
3. Approve second six-month extension from June 9, 2018 to December 9, 2018.



A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

Prepared by: Thomas McCusker

**BOND PROJECTS**

**COMBINATION PRELIMINARY AND BOND RESOLUTIONS**

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

**APPLICANT:** The Friends of Foundation Academy, Inc. P44940

**PROJECT USER(S):** Foundation Academy Charter School \* \* - indicates relation to applicant

**PROJECT LOCATION:** Grand, Cass, Adeline & Howard Trenton City (T/UA) Mercer County

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

The Friends of Foundation Academy, Inc. was established in 2011 as a 501(c)(3) not-for-profit entity for the purpose of supporting Foundation Academy Charter School (the "Academy") through facility support and fundraising. The Academy, founded in 2007, is a 501(c)(3) not-for-profit kindergarten through 12th grade charter school with current enrollment of 1,034 students. The K-8 campus is located on West State Street and the High School campus, grades 9-12, is located on Grand Street, both in the City of Trenton. The Academy received its charter from the State in July 2007 and was recently renewed for additional five years through June 2021. The Academy is in good standing with the Department of Education. Reid McCarthy is the Board President of The Friends of Foundation Academy and Graig Weiss is the Chief Executive Officer of the Academy.

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

**APPROVAL REQUEST:**

Authority assistance will enable the Applicant to finance: (i) the purchase of land and an existing school building of approximately 30,000 sq. ft., located at 22 Grand Street, the gymnasium located at 719 Cass Street, and an office building at 201 Adeline Street, all in the City of Trenton; (ii) the reconstruction, renovation and equipping of the buildings for use by the Academy; (iii) the demolition of the building at 201 Adeline Street and the construction on such property a 10,000 sq. ft. addition to the Academy that will include multipurpose common space and eight additional classrooms; and (iv) the purchase of nearby lots located at 41 Grand Street, 43 and 45 Howard Street, Trenton. Bond proceeds will also pay certain costs of issuing the bonds, a portion of the interest accruing on the bonds during the construction period and a debt service reserve fund. The applicant is seeking a bond rating from Standard & Poor's.

**FINANCING SUMMARY:**

**BOND PURCHASER:** RBC Capital Markets, LLC (Underwriter)

<b>AMOUNT OF BOND:</b> \$14,000,000 (estimate) Tax-exempt Series A Bond	\$320,000 (estimate) Taxable Series B Bond
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<b>TERMS OF BOND:</b> 35 years; Fixed interest rate not to exceed 7.5%; interest only for 2 years. (Estimated interest rate range from 4.25% to 5% as of 4/19/18.)	10 years; Fixed interest rate not to exceed 8% (Estimated interest rate is 5.35% as of 4/19/18.)
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**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Renovation of existing building	\$5,200,000
Construction of new building or addition	\$3,000,000
Acquisition of existing building	\$1,600,000
Debt service reserve fund	\$1,115,500
Interest during construction	\$837,000

**APPLICANT:** The Friends of Foundation Academy, Inc.

P44940

Page 2

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Soft Costs	\$500,000
Contingency	\$492,500
Engineering & architectural fees	\$475,000
Construction of roads, utilities, etc.	\$300,000
Finance fees	\$300,000
Furniture & Fixtures	\$250,000
Purchase of equipment & machinery	\$175,000
Legal fees	\$75,000
TOTAL COSTS	<u>\$14,320,000</u>

**JOBS:** At Application 31 Within 2 years 3 Maintained 0 Construction 40

**PUBLIC HEARING:** 05/11/18 (Published 04/26/18) **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi,

**DEVELOPMENT OFFICER:** K. Durand

**APPROVAL OFFICER:** T. Wells



**PRELIMINARY BOND RESOLUTIONS**

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

**APPLICANT:** University Heights Charter School of Excellence P44936  
**PROJECT USER(S):** Same as applicant \* - indicates relation to applicant  
**PROJECT LOCATION:** 66-78 Morris Avenue Newark City (T/UA) Essex  
**GOVERNOR'S INITIATIVES:** (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

The University Heights Charter School of Excellence ("UHCS") began operations in 2006 from a single facility, and currently serves students from Pre-K through Grade Eight out of three Newark school facilities located at 74 Hartford Street, 66-78 Morris Avenue, and 106 7th Avenue. Approximately 93% of the students are residents of Newark, with most of the remaining students coming from Irvington and East Orange. In March of 2015, the Department of Education renewed the UHCS charter through 2020, while at the same time authorizing UHCS to increase enrollment to 750 students. In February of 2017, the Department of Education again authorized UHCS to increase its enrollment allowing for 1,095 students by the end of the previously renewed charter, with UHCS currently remaining in good standing. Nicole Butler is the Board President of The University Heights Charter School of Excellence and Tamara Cooper is the school's Executive Director.

In April of 2014 the Authority issued \$7,680,000 in Qualified School Construction Bonds on behalf of CA Newark 66-78 MA Urban Renewal LLC (CA Newark), a nonprofit real estate holding company established to support UHCS with a real estate project at 66-78 Morris Avenue. CA Newark is wholly owned by Canyon-Agassi Charter School Facilities Fund, L.P, whose mission is to provide state-of-the-art, academically-friendly facilities for best-in-class charter school operators. The project entailed the acquisition of an existing building, its renovation, and the construction of an addition resulting in a 34,000 sq. ft. school facility able to house 450 students including classrooms, science labs, a gymnasium, a cafeteria, and an outside turf field. The 66-78 Morris Avenue facility is currently leased to UHCS by CA Newark, with a purchase option beginning in July of 2017 and running through June of 2019.

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

**APPROVAL REQUEST:**

Authority assistance will enable the Applicant to purchase the leased facility reducing future operating costs, finance modest renovations, fund a debt service reserve, and pay certain costs associated with the issuance of the bonds.

**FINANCING SUMMARY:**

**BOND PURCHASER:**

**AMOUNT OF BOND:**

**TERMS OF BOND:**

**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Acquisition of existing building	\$13,224,422
Debt service reserve fund	\$1,005,000
Finance fees	\$570,000

**APPLICANT:** University Heights Charter School of Excellence

P44936

Page 2

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Renovation of existing building

\$200,578

TOTAL COSTS

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\$15,000,000

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**JOBS:** At Application      122 Within 2 years      1 Maintained      0 Construction      2

**PUBLIC HEARING:**

**BOND COUNSEL:** Chiesa, Shahinian & Giantomasi,

**DEVELOPMENT OFFICER:** M. Athwal

**APPROVAL OFFICER:** K. DeSmedt

**AMENDED BOND RESOLUTIONS**



**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** May 11, 2018

**SUBJECT:** Congregation Tiferes Shulem, Inc.  
\$1,970,000 Tax-Exempt Bond (P37566) - Modification

**Request:**

Consent to change the Bond's interest rate from a variable rate of LIBOR plus 300 basis points to a fixed rate of 4.44% for five years, revise the principal amortization schedule, align the reset dates, and modify the Bond's reset rates.

**Background:**

Congregation Tiferes Shulem ("Borrower" or "School") is a 501 c (3) not-for-profit organization established in 2006 to operate the Tiferes Chaya School for girls in grades K-7. Located in Lakewood, NJ, the School has an enrollment of 195 students with 34 employees.

In 2012 the Members approved, and the Authority issued a \$1.97 million tax-exempt bond (the "Bond") to acquire two new properties and related equipment needed to provide extra-curricular and vocational education and training. Funds were also used to refinance debt to purchase property in a separate transaction. TD Bank purchased the Bond which presently has \$1.65 million outstanding. As a conduit financing, the Authority has no financial exposure.

Currently the Bank and Borrower have agreed to change the Bond's interest rate from a floating rate of LIBOR plus 300 basis points to a fixed rate of 4.44% for the next five years, amend future interest rate resets to a rate determined by the Bank (conditioned on the Authority and Bond Counsel approval), align rate reset dates to each five years, and to provide new principal payments.

Chiesa, Shahinian, and Giantomasi, PC, Bond Counsel to the Authority, has advised that the changes will not affect the tax-exempt status of the bond. The modification is a reissuance and the Authority will file an IRS form 8038.

**Recommendation:**

Consent to change the Bond's interest rate to a fixed rate of 4.44% for five years, revise the principal amortization schedule, align the reset dates, and modify the Bond's reset rate to a rate determined by the Bank, conditional to the Authority and Bond Counsel consent.

Prepared By: Angus Comly

**LOANS/GRANTS/GUARANTEES**

**PETROLEUM UNDERGROUND STORAGE TANK (PUST)**



**MEMORANDUM**

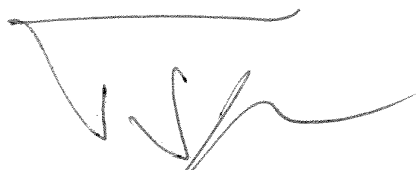
**TO:** Members of the Authority  
**FROM:** Timothy J. Lizura, President/Chief Operating Officer  
**DATE:** May 10, 2018  
**SUBJECT:** NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

**UST Commercial Grant:**

P44755 Nicholas J. Heilmann	\$ 269,445
P44756 Edward Meisner	\$ 109,559

**Total UST Funding – May 2018** **\$ 379,004**



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Timothy Lizura

Prepared by: Wendy Wisniewski



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

**APPLICANT:** Nicholas J. Heilmann

P44755

**PROJECT USER(S):** Heilmann's Gulf \*

\* - indicates relation to applicant

**PROJECT LOCATION:** 112 Main Street

Madison Borough (N)

Morris

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

**APPLICANT BACKGROUND:**

Between May 1999 and May 2000, Nicholas Heilmann, owner of Heilmann's Gulf, received an initial grant in the amount of \$93,050 under P10435 and a supplemental grant in the amount of \$65,566 under P10435s to remove five leaking underground storage tanks (USTs) and perform the required remediation. The tanks were decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform extensive soil and site remediation and groundwater monitoring.

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 funding in the amount of \$269,445 to perform the approved scope of work at the project site. Because aggregate supplemental funding including this request is \$335,011, it exceeds the maximum aggregate staff delegation of \$100,000 and therefore requires EDA Board approval. Total grant funding including this approval is \$428,061. The project site is located in a Metropolitan Planning area and is eligible to receive up to \$1 million in grant funding.

The NJDEP oversight fee of \$26,945 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:** \$269,445

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

**PROJECT COSTS:**

Remediation	\$269,445
NJDEP oversight cost	\$26,945
EDA administrative cost	\$500
 TOTAL COSTS	 <hr/> <hr/> \$296,890

**APPROVAL OFFICER:** W. Wisniewski

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

**APPLICANT:** Edward Meisner P44756  
**PROJECT USER(S):** Gasarama, Inc. \* \* - indicates relation to applicant  
**PROJECT LOCATION:** 51 Route 206 North Hampton Township (N) Sussex  
**GOVERNOR'S INITIATIVES:** ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

Between October 2004 and August 2008, Edward Meisner, owner of the project site, received an initial grant in the amount of \$37,990 under P15924 and supplemental grants totaling \$89,424 under P17573 and P22231 to remove regulated 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 \$109,559 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$198,983, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA Board approval. Total grant funding including this approval is \$236,973. The project site is located in an Environmental Sensitive Area and is only eligible to receive up to \$500,000 in grant funding.

The NJDEP oversight fee of \$10,956 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:** \$109,559  
**TERMS OF GRANT:** No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act

**PROJECT COSTS:**

Remediation	\$109,559
NJDEP oversight cost	\$10,956
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$121,015</b>

**APPROVAL OFFICER:** W. Wisniewski

**EDISON INNOVATION FUND**



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Timothy Lizura  
President/Chief Operating Officer

**Date:** May 11, 2018

**Subject:** Edison Partners IX, LP

**Request:**

Approval is requested to make a limited partnership investment in Edison Partners IX, LP for 2% of the total committed fund size up to \$2 million. Funding for the investment will be made from the Economic Recovery Fund (ERF).

**Background:**

Edison Partners IX, LP (“EIX” or the “Fund”) a Delaware limited partnership, was formed in 2018 with the objective for investors to realize long-term appreciation, generally from growth-stage, software and technology-enabled companies, located in the U.S. focusing on the East Coast, Midwest and Southeast U.S. Edison IX will invest in Enterprise Solutions, Financial Technology, and Healthcare IT. The targeted fund size of Edison Partners IX, LP is \$300 million, with a cap of \$350 million.

EIX is the ninth fund formed by Edison Partners (formerly Edison Ventures), a Princeton, New Jersey-based growth equity investor. Formed in 1986, Edison Partners has raised eight funds, prior to EIX, with total commitments of \$1.2 billion. Collectively, the Edison funds have completed 214 investments with 173 successful exits from which, 13 were through an IPO. Of note, the funds have made 45 investments in New Jersey-based companies totaling more than \$200 million. The investments in New Jersey companies assisted in creating more than 3,400 jobs – since 2001 when the Fund started tracking this statistic. The EDA has invested in five of the prior funds (EIII, EIV, EVI, EVII and EVIII) with positive results.

EIX will be managed by a group of business executives led by Chris Sugden (Managing Partner) – managing partner of Edison Partners VIII, LP. Other members of the Management Team include: Thomas L. Vander Schaaff, Ryan Ziegler, Michael Kopelman and Lenard W. Marcus - who have worked together over the last 10 years and collectively have over 131 years of operating and investment experience, including success in identifying, analyzing, structuring and managing technology start-up investments. The investment team includes individuals with extensive investment experience and large networks of valuable contacts with collective experience of more than 240 years.

Edison Partners IX is targeting a \$300 million size fund to invest in 16 to 18 expansion stage companies. Edison Partners is conducting an initial close of the fund in Q2 of 2018 and expects to finalize fundraising by the end of Q3 2018. The EDA anticipates closing its commitment after the initial close of the fund. Per the terms of the LPA, each LP admitted subsequent to the initial closing date shall be subject to an interest charge. The Manager has identified substantial capital circles from current LPs of Edison Partners Fund VIII. This is a strong statement of confidence in the management team by current investors. The Manager has made a best efforts commitment to invest \$2 in New Jersey-based companies in addition to every \$1 the Authority commits to the fund, thereby, resulting in a target of \$6 million of capital invested in New Jersey-based companies. This arrangement of leveraging the Authority's public investment with Edison's private investment will be documented in a side letter agreement consistent with all prior venture fund LP investments.

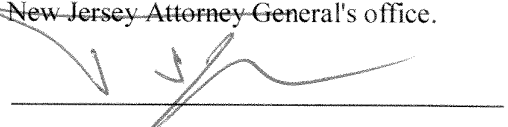
The EDA's strategic plan includes assisting in the growth of technology companies in the State through funding direct loans and investing in venture capital funds. To date, the EDA has approved investments in fifteen venture capital funds for almost \$52 million, which includes \$11.5 million of total investments in five prior Edison funds. The proposed \$2 million investment in EIX is consistent with the EDA's strategic plan, as it will assist in developing employment in the State by supporting the growth of technology companies located in New Jersey and a New Jersey-based venture fund. The proposed investment is in a growth stage fund, targeting companies with revenues between \$5 and \$25 million dollars, with typical employment of 40-50 personnel at the time of the initial investment.

The Authority's existing guidelines approved in 2016 for technology investments prioritize funding for early stage companies with less than \$3 million in revenue. The intent of the Authority's venture capital fund investments is to support the success of emerging technology companies in New Jersey and complement EDA's investment in technology businesses. Edison Partners has demonstrated its commitment to New Jersey – the company has maintained its headquarters in NJ for the last 31 years. During this time, the firm has actively collaborated with EDA through multiple touch points. Edison Partners is a regular participant in technology industry events in the state – including EDA's NJ Founders & Funders events. It is a board member of the NJ Tech Council for more than the last 20 years. Edison Partners has been offering open office hours to tech entrepreneurs and founders from the Princeton office, twice a month, during which they provide advice and / or mentorship to tech companies. Of note, Edison IX's core investment strategy is to invest in underserved growth stage technology businesses. The Fund plans to invest 10% of the committed capital in early-stage technology businesses. Edison IX's investment strategy is a complement to the EDA's focus on very early-stage companies. Five of the six active

venture funds in EDA's venture fund portfolio target early-stage technology companies. Staff is recommending the inclusion of this growth stage investor, given their long track record in NJ, the carve-out for an early stage subset, the strong investor returns and the active community engagement from Edison Partners.

**Recommendation:**

Approval of the \$2 million investment is recommended based upon EIX's experienced management team and the strong results from the EDA's investments in previous Edison funds. In addition, the proposed funding will support the growth of technology companies located in the State and a New Jersey-based venture fund. This approval will authorize the CEO or President to execute all documents required, subject to the review of the ~~New Jersey Attorney General's~~ office.



Timothy J. Lizura

Prepared by: Madhavi Bhatia  
Timothy Rollender

**OFFICE OF RECOVERY**

**ENERGY RESILIENCE BANK (ERB) PROGRAM  
MODIFICATIONS**





**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Timothy Lizura  
President and Chief Operating Officer

**DATE:** May 11, 2018

**RE:** Energy Resilience Bank – Trinitas Regional Medical Center (Elizabeth, NJ) Project Funding Modification Recommendation

**Request:**

The Members are requested to modify the March 24, 2017 Board action for the Trinitas Regional Medical Center – Williamson Campus Cogeneration Project under the Energy Resilience Bank (ERB) program by changing the reservation of ERB funding from \$9,601,056 to \$10,359,909 for the project due to Design Build bid responses which exceeded the original project budget.

**Background:**

In March 2017, the Trinitas Regional Medical Center – Williamson Campus Cogeneration Project was presented to the EDA Board for review and funding consideration under the Energy Resilience Bank (ERB) program.

Trinitas Regional Medical Center is a full-service healthcare facility serving the greater Elizabeth community – nearly 15,500 inpatients, 72,400 Emergency patients, and 391,000 outpatients. Trinitas' Williamson Street campus consists of 4 buildings and the ERB project will include a 2 MW natural gas reciprocating engine-based CHP system that will interconnect all buildings at the Williamson campus and provide the necessary blackstart and islanding system controls to be able to operate independently from the grid in case of a power outage or other emergency.

Consistent with ERB program requirements, Trinitas has undertaken additional preliminary design and feasibility analysis and then proceeded with a Request for Qualifications and subsequent Request for Proposals process for Design Build services. Trinitas received six proposals/responses, all of which were higher than original budget estimates. Trinitas is now finalizing project negotiations with their preferred respondent but this still results in a higher total project cost than the original March 2017 budget and EDA Board action. Trinitas and ERB

staff also reviewed and updated the resilient costs breakdown.

The original estimated total project cost was \$10,121,056, to be funded by ERB funds (ERB Grant of \$6,585,824 and ERB Loan of \$3,015,232) and \$520,000 from PSEG's Hospital Efficiency Program for CHPs. Since there are no remaining funds in PSEG's CHP program funding to allocate to this project, ERB funds are being requested.

It is now estimated that \$4,515,000 are cost reasonable resilient related costs per ERB program guidelines. Consistent with the ERB's Financing and Program Guide, the Trinitas project will be provided with the following, subject to cost reasonableness analysis and review of final project costs:

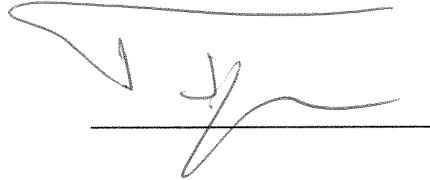
ERB Grant:	\$ 7,061,264	
ERB Loan Funding:	\$ 3,298,645	(2% interest rate, 20-year term)

The financing will be a general obligation to Trinitas with the projected annual cost of \$200,248. Through the established feasibility and technical review, the annual net energy cost savings projected from development of the CHP project are approximately \$675,767, which combined with annual operating and maintenance costs and service warranty contracts is sufficient to repay the project loan within the loan terms.

ERB Program Fund Balance: After program administrative costs, the Energy Resilience Bank has a \$170 million CDBG-DR allocation from HUD to reserve for ERB projects. After today's actions, there will be \$4,967,742 remaining to reserve for additional projects.

**Recommendation:**

The Members are requested to modify the March 24, 2017 Board action for the Trinitas Regional Medical Center – Williamson Campus Cogeneration Project under the Energy Resilience Bank (ERB) program by changing the reservation of ERB funding from \$9,601,056 to \$10,359,909 for the project due to Design Build bid responses which exceeded the original project budget.

A handwritten signature in black ink, consisting of a large, sweeping initial 'J' followed by a series of loops and a horizontal line at the end.

Prepared by: Russel Like

**REAL ESTATE**



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Timothy J. Lizura  
President/Chief Operating Officer

**RE:** Right of Entry Permit  
Camden Waterfront, Camden, New Jersey

**DATE:** May 11, 2018

Summary

I am requesting the Members' approval to grant the Cooper's Ferry Partnership, Inc. ("CFP") a right of entry to operate a temporary park, which includes food concessions, free play area and installation of a temporary bench and Nipper dog statue on property owned by the Authority on the Camden Waterfront in Camden, New Jersey. Approval is also requested for the waiver of the consideration of the twenty percent (20%) of the net receipts for this use during the term of this Agreement as well as delegation of authority to the President/COO to enter into similar Agreements in 2019, 2020, 2021 and 2022 at the Authority's discretion.

Background

In 2003, as part of the Camden Waterfront development initiative, the Delaware River Port Authority ("DRPA") transferred Block 81 Lot 2 ("Property") to the Authority under a Transfer Agreement. In accordance with the Transfer Agreement, portions of the Property have been leased and/or sold to third parties. The Property was further subject to the terms and conditions of a Development and Option Agreement with Camden Town Center, LLC ("D&O"). In 2013, the Authority regained the development rights to the Property pursuant to an Amendment to the D&O Agreement.

In an effort to increase visitorship to the Camden Waterfront, CFP has requested the Authority's approval to operate a temporary park on a portion of the Property which is within the loop road and adjacent to the existing water fountain as outlined on Exhibit A attached hereto. The temporary park will be operated by CFP Fridays and Saturdays from May 25, 2018 through September 1, 2018.

CFP will be responsible for operating and maintaining the area throughout the season and will return the Property to substantially the same condition as existed prior to its use. CFP will indemnify the Authority for any liability, costs and expenses related to any claim arising from their use of the Property. CFP will also provide insurance coverage naming the Authority as an additional insured. The Authority may terminate the Right of Entry Permit at any time, in its sole discretion. CFP may also early terminate if it no longer requires access to the Property.

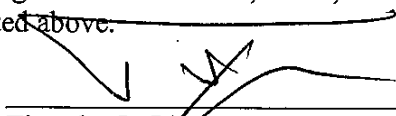
For this first year of the use of the Property, it is requested that the Authority's standard consideration of twenty percent (20%) of net revenue for the use be waived. CFP is attempting to generate increased patronage to the waterfront area. Because this is the initial use of the site for this temporary park, there is no revenue projection nor is there is an estimate of potential patrons of the park area. CFP will be providing audited/certified financials within forty-five (45) days of the expiration of this Agreement showing all revenue collected at the Property during the respective period, along with supporting documentation reasonably acceptable to the Authority, including but not limited to certified or audited financial statements, tax returns and daily receipts. Any extension or new Agreement for the same use will be subject to payment by CFP to the Authority in an amount equal to 20% of the net receipts (i.e. gross revenue less actual operating expenses and taxes) received by CFP in connection with its use of the Property. Said payment and records would be due to the Authority, without demand, within forty-five (45) days of the expiration of any extended term or new Agreement term.

Approval is also requested to delegate to the President/COO authority to enter into similar Right of Entry Agreements with CFP for 2019, 2020, 2021 and 2022 at the Authority's discretion.

The attached Right of Entry Permit is in substantially final form. The final form of the document may be subject to revision, although the basic terms and conditions will remain consistent with its current form. The final terms of the Right of Entry Permit will be subject to approval of the President/COO and the Attorney General's Office.

Recommendation

In summary, I am requesting the Members' approval to grant a Right of Entry Permit to Cooper's Ferry Partnership, Inc. to operate a temporary park, which includes food concessions, free play area and installation of a temporary bench and Nipper dog statue on the Property owned by the Authority on the Camden Waterfront in Camden, New Jersey on terms generally consistent with the attached Agreement, subject to the approval of the Chief Executive Officer, the President/Chief Operating Officer and the Attorney General's Office. Additionally, approval is requested to waive the consideration for the first year of use and a delegation of authority to the President/COO to enter into similar Agreements in 2019, 2020, 2021 and 2022 at the Authority's discretion, on the conditions stated above.



\_\_\_\_\_  
Timothy J. Lizura

Prepared by: Cathleen Hamilton

### **RIGHT OF ENTRY PERMIT**

The NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY ("NJEDA") grants to Cooper's Ferry Partnership, Inc. ("CFP"), its employees, officers, agents, and students, a right to enter upon lands at Block 81.02, Lot 1, Camden, New Jersey (the "Premises") as more particularly shown on Exhibit "A" attached hereto, for the following purposes and subject to the following terms and conditions:

CFP may enter upon the Premises May 25, 2018 through September 1, 2018 on Fridays and Saturdays only for the purpose of setting up Nipper Park (which includes a temporary bench and a Nipper dog statue) and conducting food truck/tent concessions ("Concession"), activities for families (i.e. miniature soccer/baseball fields, outdoor games, etc.) for patrons at the Camden Waterfront (the "Activities") as more particularly defined below:

- A. Temporary Installation of a bench and statue: CFP will install and maintain temporary structures throughout the term of this License Agreement.
- B. Concession area may feature large picnic tables, shade structures and umbrellas. CFP will allow outside food to be brought in, however, alcoholic products will not be permitted. CFP will be responsible for providing all items necessary to operate the concessions, including but not limited to: fencing, signage, picnic tables, umbrellas, plantings, lawn chairs, waste receptacles, and portable bathroom facilities. CFP will coordinate all maintenance, cleanup and security for Activities.
- C. FREE PLAY AREA: CFP will organize and operate a free play space for children and families to coincide with concession operation. The free play area may consist of stand-alone games and activities, video projection of movies, shorts or other programming. All structures in the free play area will be temporary.

2. CFP agrees that any work undertaken by CFP and its consultants, vendors and/or contractors will comply with all applicable permits, approvals, ordinances, statutes, regulations, building codes and other applicable laws.

3. CFP covenants and agrees to, at all times, indemnify, protect and save harmless NJEDA from and against all cost or expense resulting from any and all losses, damages, detriments, suits, claims, demands, costs and charges, which NJEDA may directly or indirectly suffer, sustain or be subject to by reason or on account of CFP's entry upon or the conduction of the Activities by CFP, its contractors, subcontractors, agents, officers, employees, participants, patrons, visitors, students or invitees. In addition, CFP shall require its respective contractors, consultants, agents, vendors, and representatives to defend, indemnify, and hold harmless NJEDA from and against any and all claims, actions, suits, complaints, and proceedings, including but not limited to any attorney's fees, costs of defense, judgments and damages which arise from or are in any way connected with the contractors', consultants', agents', or representatives' entrance upon and use of the Premises or from the Activities.

4. Consideration for this initial term of this permit will be the sum of ONE DOLLAR (\$1.00), receipt of which is hereby acknowledged.

CFP agrees it will maintain complete and accurate records and shall provide NJEDA with audited/certified financials within forty-five (45) days of the expiration of this Agreement showing all revenue collected at the Premises during the respective period, along with supporting documentation reasonably acceptable to NJEDA, including but not limited to certified or audited financial statements, tax returns and daily receipts.

The parties agree, after NJEDA's review of the financial document, that any extension of this

Agreement or new Agreement for the same use may be subject to payment by CFP to NJEDA in an amount equal to 20% of the net receipts (i.e. gross revenue less actual operating expenses and taxes) received by the CFP in connection with its use of the Premises. Said payment and records would be due to NJEDA, without demand, within forty-five (45) days of the expiration of any extended term or new Agreement term.

5. The effective dates of this permit are May 25, 2018 through September 1, 2018, 9:00 a.m. to 3:00 p.m. Fridays through Saturdays only (which time frame includes morning set up and evening breakdown).

6. All consultants, agents, assignees, contractors, subcontractors, officers, or employees of CFP shall be covered by adequate Workers' Compensation.

7. CFP agrees that any claims asserted against NJEDA based in contract law in connection with this permit shall be subject to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. and that any claims asserted against NJEDA based in tort law in connection with this permit shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq.

8. CFP agrees that it:
- a. will not create any condition during or after the completion of the Activities, which violates any city, state or other regulatory agency or is dangerous.
  - b. will return the property to the condition which existed before commencement of the Activities, including removal of bench and statue.
  - c. will not permit the creation of any liens affecting the Premises and shall promptly pay and discharge any claims or liabilities which may become a lien against the Premises.
  - d. will maintain in force and effect, insurance for liability and property damage in the minimum amounts of \$1,000,000 per occurrence and \$3,000,000 aggregate naming the NJEDA as additional insured using CG 20 10 or equivalent form and provide proof of same to the NJEDA prior to entry on the Premises. The amount of coverage may come from a combination of General Liability and Umbrella coverage.
  - e. will require its contractor to maintain in force and effect, insurance for liability and property damage in the minimum amounts of \$1,000,000 per occurrence and \$3,000,000 aggregate naming the NJEDA as additional insured using CG 20 10 or equivalent form and provide proof of same to the NJEDA prior to entry on the Premises. Additional Insured endorsement from contractor must be provided on a scheduled (not blanket) basis. The amount of coverage may come from a combination of General Liability and Umbrella coverage.
9. CFP assumes all risks and liability associated with the use and operation of the Premises for Activities as outlined herein and NJEDA shall have no responsibility in this regard.
10. CFP shall be responsible to have the Premises cleaned, maintained, repaired (if necessary) and have all debris and trash removed from the Premises after each Activity in which the Premises are used by CFP. CFP will be responsible for the cost of maintenance and any and all repairs required to be made to the Premises, including but not limited to, filling in ruts and eroded areas.
11. Termination: It is understood and agreed that the NJEDA hereby reserves unto itself the right to terminate this Agreement, at any time, for any reason whatsoever, upon five (5) days' prior notice to CFP. In the event of NJEDA's exercising such right of

termination, the NJEDA shall be without further liability whatsoever to CFP under this Agreement. CFP agrees that it shall not be entitled to any damages of any nature whatsoever in the event of such termination. It is further understood and agreed that in the event CFP no longer requires access to the Premises as set forth herein, CFP may terminate this Agreement upon five (5) days' notice to NJEDA. In the event of CFP's exercising such right of termination, CFP shall be without further liability whatsoever to NJEDA under this Agreement, except all Rent accrued to the date of termination, removal of bench and statue, restoration of Premises, performance of inspections and audited/certified financials and the satisfaction of any other any other obligations of CFP as set forth in this Agreement.

12. This document shall not be recorded.
13. This document shall be governed and construed under the laws of the State of New Jersey.



14. The undersigned have full power and authority to bind CFP and NJEDA to this Agreement.

Attest:

**NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY,**

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name: Donna T. Sullivan  
Title: Vice President-Real Estate

Dated: \_\_\_\_\_

Attest:

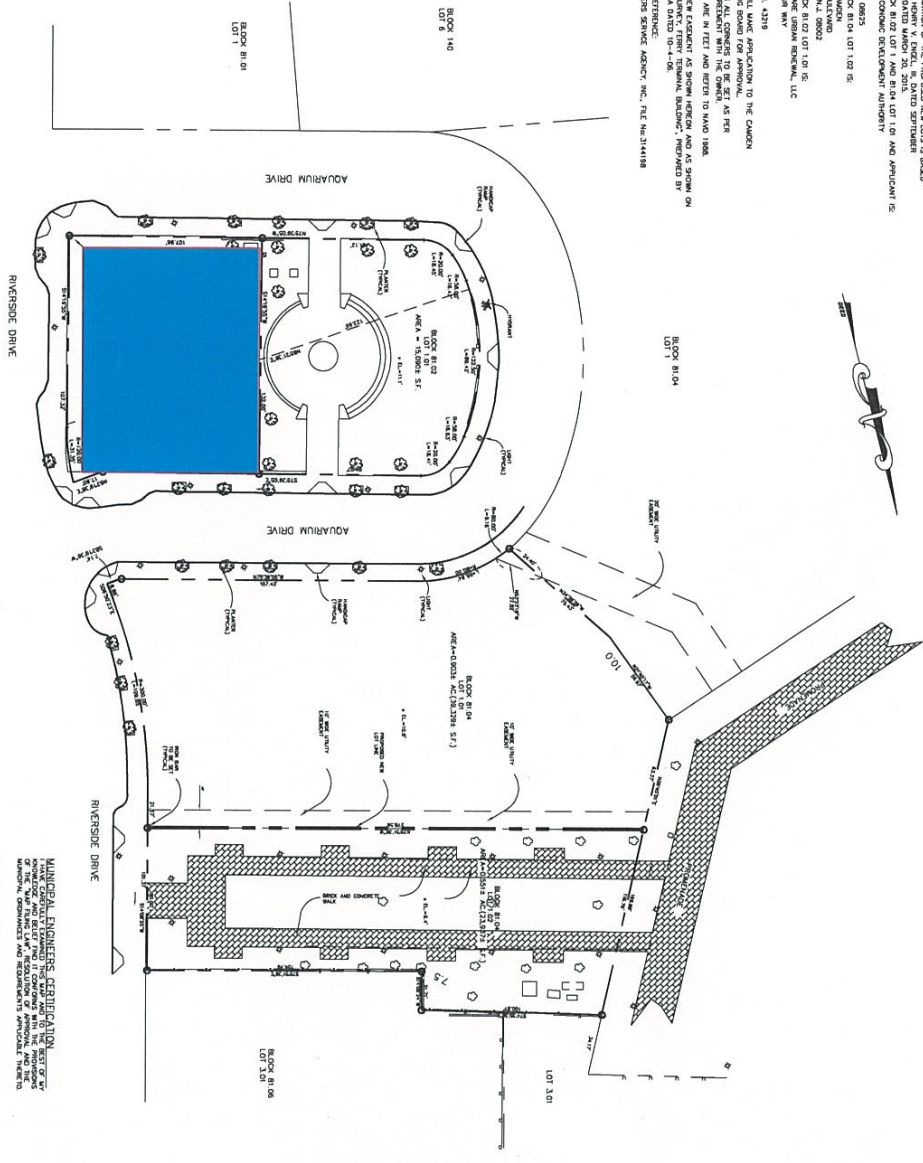
**COOPER'S FERRY PARTNERSHIP, INC.**

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title:

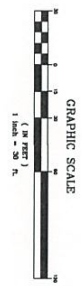
Dated: \_\_\_\_\_

- GENERAL NOTES:**
1. THE SITE IS LOCATED WITHIN FLOOD ZONE "X" ON THE FEMA FIRM MAP.
  2. THE LOTS WILL BE CREATED AS PART OF THE SUBDIVISION.
  3. OUTSTANDING INFORMATION OF THE PROPOSED NEW LOTS IS BASED ON THE RECORD DRAWING DATED 04-14-06.
  4. THE OWNER OF BLOCK B1202 LOT 1 AND B1204 LOT 104 AND APPLICANT IS THE COUNTY OF CAMDEN.
  5. THE OWNER OF BLOCK B1202 LOT 1 AND B1204 LOT 104 AND APPLICANT IS THE COUNTY OF CAMDEN.
  6. THE APPLICANT WILL MAKE APPLICATION TO THE CAMDEN PLANNING BOARD FOR THE SUBDIVISION.
  7. THIS PLAN SHOWS ALL CONDUITS TO BE SET AS PER CONTRACTUAL AGREEMENT WITH THE OWNER.
  8. THE OWNER OF THE LOTS WILL BE RESPONSIBLE TO OBTAIN ALL NECESSARY PERMITS FROM THE APPROPRIATE AGENCIES.
  9. A LAND TITLE SURVEY FROM TRIUMPH SURVEYING COMPANY, INC. DATED 04-14-06.
  10. TITLE REPORT REFERENCE: COUNTY LANDS SURVEY AGENCY, INC., FILE NO. 314418



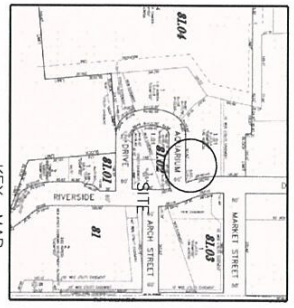
**ENGEL LAND SURVEYING**  
 HENRY V. ENGEL III  
 4010 BOX 203  
 HENRYVILLE, MD 21542  
 PHONE (866) 423-1128  
 FAX (866) 423-1128

**HENRY V. ENGEL**  
 PROJECT MANAGER



**SUBJECTS CERTIFICATION:**  
 I, HENRY V. ENGEL III, THE SURVEYOR, HEREBY CERTIFY THAT I AM A LICENSED SURVEYOR IN THE STATE OF MARYLAND AND THAT I HAVE PERSONALLY CONDUCTED THE SURVEY AND THAT I AM A MEMBER IN GOOD STANDING OF THE SURVEYING BOARD OF THE STATE OF MARYLAND.

**MUNICIPAL ENGINEER CERTIFICATION:**  
 I, HENRY V. ENGEL III, THE SURVEYOR, HEREBY CERTIFY THAT I AM A LICENSED SURVEYOR IN THE STATE OF MARYLAND AND THAT I HAVE PERSONALLY CONDUCTED THE SURVEY AND THAT I AM A MEMBER IN GOOD STANDING OF THE SURVEYING BOARD OF THE STATE OF MARYLAND.



REQUIREMENTS	Area Regulations for Block B1201 through B1206	TYPE OF DEVELOPMENT	REMARKS
Minimum lot area per zoning code	1,200 sq. ft.	Residential	OK
Minimum lot width	30.00 ft.	Residential	OK
Minimum lot depth	100.00 ft.	Residential	OK
Minimum lot area per zoning code	1,200 sq. ft.	Residential	OK
Minimum lot width	30.00 ft.	Residential	OK
Minimum lot depth	100.00 ft.	Residential	OK
Minimum lot area per zoning code	1,200 sq. ft.	Residential	OK
Minimum lot width	30.00 ft.	Residential	OK
Minimum lot depth	100.00 ft.	Residential	OK

**TAX COLLECTOR'S APPROVAL:**  
 I, HENRY V. ENGEL III, THE SURVEYOR, HEREBY CERTIFY THAT I AM A LICENSED SURVEYOR IN THE STATE OF MARYLAND AND THAT I HAVE PERSONALLY CONDUCTED THE SURVEY AND THAT I AM A MEMBER IN GOOD STANDING OF THE SURVEYING BOARD OF THE STATE OF MARYLAND.

**OWNERS CERTIFICATION:**  
 I, HENRY V. ENGEL III, THE SURVEYOR, HEREBY CERTIFY THAT I AM A LICENSED SURVEYOR IN THE STATE OF MARYLAND AND THAT I HAVE PERSONALLY CONDUCTED THE SURVEY AND THAT I AM A MEMBER IN GOOD STANDING OF THE SURVEYING BOARD OF THE STATE OF MARYLAND.

**MUNICIPAL BOARD APPROVAL:**  
 I, HENRY V. ENGEL III, THE SURVEYOR, HEREBY CERTIFY THAT I AM A LICENSED SURVEYOR IN THE STATE OF MARYLAND AND THAT I HAVE PERSONALLY CONDUCTED THE SURVEY AND THAT I AM A MEMBER IN GOOD STANDING OF THE SURVEYING BOARD OF THE STATE OF MARYLAND.

**PROJECT NAME:** N/A

**SUBDIVISION:** N/A

**DATE:** N/A

**SCALE:** 1" = 20'

**PRINT DATE:** 6/25/15

**SCHEDULE OF REVISIONS**

NO.	DATE	DESCRIPTION OF REVISIONS
1	06/25/15	ISSUED FOR PERMITS

**STATE OF MARYLAND**  
**LAND SURVEYING BOARD**

**DATE:** 06/25/15

**SCALE:** 1" = 20'

**PRINT DATE:** 6/25/15

**SITE LOCATION:** AQUARIUM DRIVE & RIVERSIDE DRIVE, CAMDEN, NEW JERSEY

**DRAWING TITLE:** SUBDIVISION PLAN FOR TAX BLOCKS B1202 & B1204

**SHEET NO. 1 OF 1**

**C-1**



**TO:** Members of the Authority

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

**DATE:** May 11, 2018

**SUBJECT:** **Recommendation for Award - #2018-RFQ/P-078**  
**Title Services On An As Needed Basis (“Pooled Title”)**

Summary

The Members’ approval is being requested to enter into two separate contracts, one with Brennan Commercial Abstract, LLC (“Brennan”) of Cherry Hill, New Jersey and one with Nationwide Court Services, Inc. of Ronkonkoma, New York (“NCS”), to be used on a rotating basis, for an annual maximum for each contract of \$100,000 per year for three years, with two one-year extension options to provide title services on an as needed basis to the Authority. These services will assist the Authority in evaluating potential real estate projects and loans as well as completing feasibility and due diligence studies. The services will also provide expedited updates on any currently held real estate or loan projects.

Background

On January 16, 2018, the Authority, at the request of the Real Estate Division, through its Internal Process Management (“IPM”) Division, issued a Request for Qualifications/Proposals (RFQ/P), #2018-RFQ/P078, to provide Title Services On An As Needed Basis. These services will assist the Authority’s Real Estate Division as well as other Authority staff in analyzing real estate property information on project investments to be made by the Authority. Services under these contracts also include conducting closing and issuance of title insurance policies when necessary. As specified in the RFQ/P, other departments in the Authority may also have a need to use these services for various types of title and/or record searches.

The requesting department will issue a Task Order Request (“TOR”), each time a title service is required by the Authority, detailing the specific project requirements. The Authority does not guarantee a minimum number of TORs, during the term of the contract or any extensions, thereafter. Rather, the Authority will utilize the Title Services of the successful vendor on an “as needed” basis, to assist and support its staff. A TOR will be issued for each project detailing that project’s requirements. The successful vendor will then provide the department with a cost based on the line item fees submitted on the Proposer’s Fee Schedule. Prior to any work being performed, the Authority will provide written authorization to proceed via email to the vendor in response to the fees and costs outlined in its TOR.

The RFQ/P language provided for the award of multiple contracts, each for a three-year term with two, one-year extension options to be exercised at the sole discretion of the Authority, at the same terms and conditions. The purpose of awarding two contracts is to have available a pool of vendors to be utilized in the event the primary vendor in the rotation has a conflict of interest or cannot

perform the requirements on the TOR form in the timeframe requested. The estimated annual amount of each contract is \$100,000, which if fully extended is estimated to be a total of \$500,000, based on the Authority's projected needs for these services.

Per the instructions set forth in the RFQ/P, firms submitting proposals were required to be licensed title companies, in the State of New Jersey with an "A" rating or better by a Fannie Mae-approved credit rating service for all Title Services/Insurance/Closing requirements. It was also mandatory that firms be affiliated with at least one title insurance underwriter authorized to write title in the State of New Jersey, as verifiable via the NJ Department of Banking and Insurances list (found at [http://www.nj.gov/dobi/titlecos\\_20180430.pdf](http://www.nj.gov/dobi/titlecos_20180430.pdf)). Additionally, firms had to provide proof that title producers (i.e. Underwriters, Examiners, Settlement/Closing Agents) had a NJ State license in good standing.

In terms of evaluative criteria, firms were asked to complete response tables detailing;

- a. the firm's experience in working with title issues specific to property owned by public entities;
- b. experience of the firm's individual staff members' working with title issues specific to property owned by public entities;
- c. the firm's experience working with a public entity acquiring property by condemnation;
- d. the firm and its staff's experience working on complex title issues including resolution of those title issues.

Proposals were received from:

Brennan Commercial Abstract, LLC, whose underwriter is Old Republic Title Insurance Group, is also a Woman Owned Business ("WBE").

Nationwide Court Services, Inc., whose underwriter is Stewart Title Guaranty Company, is also a WBE.

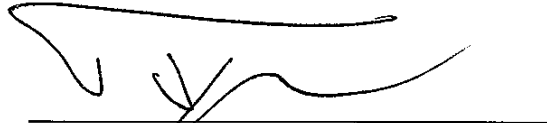
Chicago Title Company, LLC whose underwriter is Chicago Title Insurance Company, Inc.

IPM's Senior Procurement Officer reviewed the proposals for responsiveness and determined that all were non-responsive and, as a result, the bid was cancelled. IPM determined that the RFQ/P was reasonable and that no RFQ/P submittal requirements were ambiguous, confusing or otherwise defective. In that event, the Senior Procurement Officer was able to negotiate with the proposers directly in order to determine who would be considered for a contract award. These negotiations were for a contract for professional services with substantially similar terms, conditions, and specifications as the original RFQ/P. As part of these negotiations, IPM also requested additional information from the proposers to evaluate whether they were responsible vendors. Negotiations were successful with two of the three firms—IPM was unable to evaluate Chicago Title Company, LLC's qualifications because the firm chose not to submit additional information requested by IPM. IPM then requested a cost clarification/reduction from the two remaining firms and was able to further reduce the premium cost submitted by Nationwide Court Services, Inc. Based on the Fee Schedule Tabulation prepared by IPM, included as Attachment A, the cost for title insurance policies issued for a \$2.5 Million policy would result in a premium of \$5,525.00 if issued by Brennan and a premium of \$5,880.00 if issued by Nationwide. Therefore, it is IPM's recommendation that the Authority enter into contracts for Title Services On an As Needed Basis with two firms: Brennan Commercial Abstract, LLC and Nationwide Court Services, Inc.

All proposals and supporting documentation, including IPM's Recommendation Memo, are on file with the IPM Division.

Recommendation

Based on the results of the 2018 RFQ/P, it is recommended that the Members approve entry into the Title Services On An As Needed Basis contracts to Brennan Commercial Abstract and Nationwide Court Services, Inc., to be used on a rotating basis, for an annual maximum of \$100,000 per year for three years, with two one-year extension options per contract

A handwritten signature in black ink, appearing to read "Timothy J. Lizura", is written over a horizontal line.

Timothy J. Lizura  
President and Chief Operating Officer

Prepared by: Cathleen A. Hamilton  
Attachment

**Attachment A**

**Fee Schedule Tabulation**

**Title Services on an As Needed Basis**

**FEE SCHEDULE**

**RFQ/P 078 TITLE SERVICES-On An As Needed Basis**

(Rev: 4/16/18 )

LINE #	DESCRIPTION	UNIT	FINAL COSTS	FINAL COSTS
<b>TITLE INSURANCE/CLOSING COSTS</b>		<b>Premiums/M</b>	<b>BRENNAN ABSTRACT</b>	<b>NATIONWIDE COURT SERVICES</b>
1	FULLY LOADED TITLE INSURANCE (INITIAL PRICE BID)	Premiums/M	75% OF Standard Premium	
REV	FIRST \$100,000	Premiums/M	\$3.94/M X 100 = \$394.00	\$4.20/M x 100 = \$420.00
REV	\$100,001 TO \$500,000	Premiums/M	\$3.19/M X 400 = \$1,276.00	\$3.40/M x 400 = \$ 1360.00
REV	\$500,001 TO \$2 MILLION	Premiums/M	\$2.07/M X 1500 = \$3,105.00	\$2.2/M x 1500 = \$ 3300.00
REV	OVER \$2 MILLION	Premiums/M	\$1.50/M X 500 = \$750.00	\$1.6/M x 500 = \$ 800.00
REV	REQUESTED TOTAL COST FOR \$2,500,000 POLICY PREMIUM	TOTAL	\$5,525.00	\$5,880.00
<b>INDIVIDUAL TITLE SERVICES COSTS - NEW JERSEY PROPERTIES</b>		<b>COSTS THAT WERE BID ON RFQ/P</b>		
2	INITIAL TITLE SEARCH FEE	Per Tax Lot	\$250.00	\$142.50
3	ADDITIONAL CHAIN OF TITLE (if applicable)	each	\$150.00	\$92.50
4	BRING-DOWN SEARCH FEE	Per Tax Lot	\$75.00	\$25.00
5	SETTLEMENT FEE, PER CLOSING	Per Closing	\$325.00	\$467.50
7	TAX AND UTILITY SEARCHES	Per Tax Lot	\$35.50	\$42.50
8	JUDGEMENT SEARCHES	Per Tax Lot	\$35.50	\$42.50
9	PATRIOT (PER NAME) SEARCH	Per Name	\$2.00	\$15.00
10	SURVEY ENDORSEMENT	Per Survey	\$25.00	\$25.00
11	RECORDING FEES - DEEDS	First Page	\$43.00	\$43.00
12	RECORDING FEES - DEEDS	Add'l Pages	\$10.00	\$10.00
13	RECORDING FEES - OTHER DOCUMENTS	First Page	\$33.00	\$43.00
14	RECORDING FEES - OTHER DOCUMENTS	Add'l Pages	\$10.00	\$10.00
15	LAST OWNER SEARCH (NO Insurance)	Per Lot	\$300.00	\$117.50
16	EXAM FEE	Each	\$100.00	\$92.50
17	CORPORATE STATUS/FRANCHISE TAX SEARCH	Each	\$151.00 (Total)	\$42.50
18	TIDELANDS SEARCH	Each	\$35.50	\$32.50
19	CERTIFICATE OF GOOD STANDING	Each	\$45.00	\$117.50
20	UCC SEARCHES (Including copies per lot)	Each	At Cost	\$32.50
21	NOTICE OF SETTLEMENT FEE (Per applicable rate where documents are being filed)	Each	\$40.00	\$50.00
22	CHANCERY ABSTRACT FEE	Each	At Cost	\$117.50
21	Title/Property Search with Copies (Record Owner Search)	Each	\$ 225.00	\$117.50
22	60 Year Title/Property Search with copies	Each	\$ 350.00	\$167.50
23	100 Year Title/Property Search with copies	Each	\$ 500.00	\$272.50
24	UPPER COURT/JUDGEMENTS/PENDING SUITS (PER NAME) SEARCH	Each	At Cost	\$32.50
25	LOWER COURT JUDGEMENTS	Each	N/A	\$ 20.00
26	FDC JUDGEMENTS/FEDERAL TAX LIENS, STATE TAX LIENS, LOWER COURT and FDC LAWSUITS and BANKRUPCY	Each	At Cost	\$32.50
27	MUNICIPAL SEARCH	Each	Incl. in Tax Search	\$342.50
28	PATRIOT (PER NAME) SEARCH	Each	\$ 2.00	\$ 15.00
29	TAXES, ASSESSMENTS & UTILITY SEARCHES	Each	\$ 35.50	\$42.50
30	FLOOD SEARCH	Each	\$ 10.00	\$ 20.00
<b>TITLE INSURANCE/CLOSING COSTS</b>		<b>Premiums/M</b>	<b>BRENNAN ABSTRACT</b>	<b>NATIONWIDE COURT SERVICES</b>
33	CORPORATE STATUS REPORT (Corporate Status/Franchise Tax Search)	Each	\$ 75.00	\$42.50
34	PLAIN CORPORATE COPIES	Each	\$ 75.00	.50/pg.
35	CERTIFIED CORPORATE COPIES	Each	\$ 125.00	0.50/pg.+ \$42.50
36	GOOD STANDING CERTIFICATE	Each	\$ 45.00	\$117.50
37	UNIFORM COMMERCIAL CODE (UCC) - Uncertified	Each	At Cost	\$ 25.00
38	UNIFORM COMMERCIAL CODE (UCC) - Certified	Each	At Cost	\$32.50
39	TITLE SEARCH BRING DOWN CONTINUATIONS (per each bring down)	Each	\$ 75.00	\$ 25.00
40	EXAMINATION CHARGE-SINGLE CHAIN OF TITLE	Each	\$ 100.00	\$92.50
41	REVIEW LEGAL DESCRIPTION	Each	No Charge	25.00 + Cost of Map
42	FIELD MAPS	Each	At Cost	\$42.50 - 122.50 *
<b>INDIVIDUAL TITLE SERVICES COSTS- OUT OF STATE PROPERTIES</b>			<b>BRENNAN ABSTRACT</b>	<b>NATIONWIDE COURT SERVICES</b>
29	Title/Property Search with Copies (Record Owner Search)	each	\$300.00 *	\$67.50
30	60 Year Title/Property Search with copies	each	\$600.00 *	\$92.50 - \$ 342.50**

May 11, 2018 Board Book - Real Estate

31	100 Year Title/Property Search with copies	each	\$750.00 *	\$492.50
32	UPPER COURT/JUDGEMENTS/PENDING SUITS (PER NAME) SEARCH	each	At Cost	\$42.50
33	LOWER COURT JUDGEMENTS	each	Incl. in search	\$42.50/name
34	FDC JUDGEMENTS/FEDERAL TAX LIENS, STATE TAX LIENS, LOWER COURT and FDC LAWSUITS and BANKRUPCY	each	At Cost	\$42.50
35	MUNICIPAL SEARCH	each	At Cost	\$342.50
36	PATRIOT (PER NAME) SEARCH	each	\$ 2.00	\$ 15.00
37	TAXES, ASSESSMENTS & UTILITY SEARCHES	each	At Cost	\$42.50
38	FLOOD SEARCH	each	\$ 10.00	\$ 20.00
39	TIDELANDS SEARCH	each	At Cost	\$32.50
40	CHANCERY ABSTRACT	each	At Cost	\$117.50
41	CORPORATE STATUS REPORT (Corporate Status/Franchise Tax Search)	each	At Cost	\$42.50
42	PLAIN CORPORATE COPIES	each	At Cost	\$67.50
43	CERTIFIED CORPORATE COPIES	each	At Cost	\$117.50
44	GOOD STANDING CERTIFICATE	each	At Cost	\$87.50
45	UNIFORM COMMERCIAL CODE (UCC) - Uncertified	each	At Cost	\$ 25.00
46	UNIFORM COMMERCIAL CODE (UCC) - Certified	each	At Cost	\$32.50
47	TITLE SEARCH BRING DOWN CONTINUATIONS (per each bring down)	each	\$ 100.00	\$ 25.00
48	EXAMINATION CHARGE-SINGLE CHAIN OF TITLE	each	\$ 100.00	\$92.50
49	REVIEW LEGAL DESCRIPTION	each	N/A	\$25.00 + Cost of Map
50	FIELD MAPS	each	At Cost	\$20.00-\$50.00 *
		<b>BRENNAN ABSTRACT</b>		<b>NATIONWIDE COURT SERVICES</b>
		NOTE: * was not quantified in original proposal.		"NOTE: * Pricing varies by county & applies only to maps on file with the relevant authority. If no map is on file & a new one must be ordered, pricing will vary. ** Pricing varies by county "



**BOARD MEMORANDUM**



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Timothy J. Lizura, President and COO

**DATE:** May 11, 2018

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

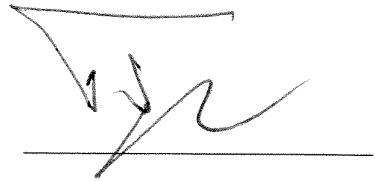
The following projects were approved under Delegated Authority in April 2018:

**Premier Lender Program:**

- 1) 39 Progress Street LLC (P44977), located in Edison Township, Middlesex County, is a recently formed holding company created to purchase the project property. The operating company, AS Bath Limited Liability Company, was founded in 2007 and provides fulfillment services for TLW Limited Liability Company (“TLW”) and the Island Showroom dba Home and Stone (“H&S”), which are related via common principals. TLW was founded in 2003 as an online retailer of high end bathroom and kitchen appliances, lighting and fixtures. H&S was formed in 1984 as a retail store that sells high end kitchen and bathroom fixtures in the tri-state area. Fulton Bank of New Jersey approved a \$5,000,000 loan contingent upon a 20% (\$1,000,000) Authority participation. Proceeds will be used to purchase the project property to relocate the inventory warehouse from a leased facility in Rahway to this new location. Currently, the Company has 10 employees and plans to create 5 within the next 2 years.
- 2) 144 Delawanna Clifton LLC (P44919), located in Clifton City, Passaic County, is the real estate holding company formed to purchase the project property. The operating company, Elite Décor Inc. (“Elite”) is a custom window treatment manufacturer currently headquartered in New York City. Two River Community Bank approved a \$7,757,984 loan contingent upon a 25.78% (\$2,000,000) Authority participation. Proceeds will be used to relocate Elite’s headquarters to Clifton following renovations to the building. On September 14, 2017, the members of the EDA Board approved a \$7,000,000 GROW NJ Assistance Program award to facilitate this relocation. The Company plans to create 100 positions within the next 2 years. SSBCI funds will be utilized for this project.

**Small Business Fund Program:**

- 1) Dos Bros. Holdings, LLC (P44728), located in Fair Haven Borough, Monmouth County, is a real estate holding company created to purchase the project property. The operating company, Balderas Bros, Inc. dba Tavolo Pronto, LLC, has been operating from the project property for 7 years as a café/restaurant offering a full-service Italian bistro, bakery, and market serving daily specials and made-to-order take home meals. The Company was approved for a \$150,000 direct loan to purchase the project property. Currently, the Company has 2 employees and plans to create 2 new positions within the next 2 years.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

**Prepared by:** G. Robins  
/gvr



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Timothy J. Lizura, President and Chief Operating Officer  
**DATE:** May 10, 2018  
**SUBJECT:** PUST and HDSRF Program Funding Status  
(For Informational Purposes Only)

In December, 2012, the members approved a change in the administration of the subject programs as a result of new Treasury guidance for fund transfers. Staff has reported to the board quarterly on the status of the funds.

Below is the funding availability as of the first quarter ending on March 31, 2018:

**PUST:**

As of March 31st, remaining cash and unfunded appropriations net of commitments was \$3.2 million available to support an estimated \$21.3 million pipeline of projects, of which approximately \$2.8 million are under review at EDA.

**HDSRF:**

As of March 31st, remaining cash and unfunded appropriations net of commitments was \$16.3 million available to support an estimated \$36 million pipeline of projects, of which approximately \$1.1 million are under review at EDA.

Prepared by: Wendy Wisniewski