



**MEMORANDUM**

**TO:** Members of the Authority

**FROM:** Melissa Orsen  
Chief Executive Officer

**DATE:** September 14, 2017

**SUBJECT:** Agenda for Annual Board Meeting of the Authority September 14, 2017

**Notice of Public Meeting**

**Roll Call**

**Approval of Previous Month's Minutes**

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

**Authority Matters**

**Incentive Programs**

**Bond Projects**

**Loans/Grants/Guarantees**

**Office of Recovery**

**Real Estate**

**Board Memorandums**

**Public Comment**

**Adjournment**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**August 8, 2017**

**MINUTES OF THE MEETING**

Members of the Authority present: Chairman Thomas Scrivo; Patrick Mullen representing Commissioner Richard Badolato of the Department of Banking and Insurance; Peter Simon representing State Treasurer Ford M. Scudder; Jeffrey Stoller representing Commissioner Aaron Fichtner of the Department of Labor and Workforce Development; Public Members: Philip Alagia, David Huber, Fred B. Dumont, Charles Sarlo, Patrick Delle Cava, First Alternate Public; William J. Albanese, Sr., Second Alternate Public Member; and Harold Imperatore, Third Alternate Public Member.

Present via conference call: Colleen Kokas representing Commissioner Bob Martin of the Department of Environmental Protection; and Public Member William Layton.

Absent: Public Members: Larry Downes, Massiel Medina Ferrara, and Rodney Sadler, Non-Voting Member

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

Mr. Scrivo called the meeting to order at 10:00 a.m.

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

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

**MINUTES OF AUTHORITY MEETING**

The next item of business was the approval of the July 13, 2017 meeting minutes. A motion was made to approve the minutes by Mr. Stoller, and seconded by Mr. Simon, and was approved by the 13 voting members present.

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

**AUTHORITY MATTERS**

**ITEM:** Proposed Rule Amendments – Statutory, Policy and Fee Revisions  
***THIS ITEM WAS WITHHELD FROM CONSIDERATION.***

**INCENTIVE PROGRAMS**

**Grow New Jersey Assistance Program**

**ITEM:** Aptapharma, Inc. APPL.#44129

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

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

**ITEM:** Aptapharma, Inc. APPL.#44129

**REQUEST:** To approve the application of Aptapharma Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Pennsauken Twp., NJ. Project location of Pennsauken, Camden 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 Min. Non-Mega, Targeted Industry of Manufacturing, 2007 Revit. Index >465 in Camden. The estimated annual award is \$452,210 for a 10-year term.

**MOTION TO APPROVE:** Mr. Albanese **SECOND:** Mr. Delle Cava **AYES:** 13

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

**ITEM:** Eywa Pharma Inc. APPL.#44314

**REQUEST:** To approve the application of Eywa Pharma Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Cranbury Twp., NJ. Project location of Cranbury, 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 Capital Investment in Excess of Min., Targeted Industry of Manufacturing. The estimated annual award is \$221,000 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**ITEM:** Factor Systems, Inc. d/b/a Billtrust APPL.#44307

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

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

**ITEM:** Factor Systems, Inc. d/b/a Billtrust APPL.#44307

**REQUEST:** To approve the application of Factor Systems, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Lawrenceville Township, NJ. Project location of Lawrenceville, Mercer 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 Technology. The estimated annual award is \$1,289,424 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**ITEM:** Geri-Care Pharmaceuticals Corp. APPL.#44313

**REQUEST:** To approve the application of Geri-Care Pharmaceuticals Corp. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Lakewood Twp., NJ. Project location of Lakewood, Ocean 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, Capital Investment in Excess of Min.– Non-Mega, Targeted Industry of Manufacturing. The estimated annual award is \$1,170,000 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**ITEM:** Independent Chemical Corporation APPL.#44315

**REQUEST:** To approve the application of Independent Chemical Corporation for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Paterson City, NJ. Project location of Paterson, Passaic County qualifies as a Garden State Growth Zone under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Deep Poverty Pocket, Transit Oriented Development, Jobs with Salary in Excess of GSGZ Average, Targeted Industry of Manufacturing, GSGZ Ind. Project w/Cap. Inv. In Excess of Min., On site Solar Generation of ½ of Project's Elec. Needs. The estimated annual award is \$478,500 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**ITEM:** Legacy Cold Storage LLC APPL.#44321

**REQUEST:** To approve the application of Legacy Cold Storage 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, 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 Deep Poverty Pocket, 2007 Revit. Index >465 in Cumberland County. The estimated annual award is \$357,400 for a 10-year term.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Delle Cava **AYES:** 13

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

**ITEM:** Sanofi U.S. Services Inc. APPL.#44130

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

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

**ITEM:** Sanofi U.S. Services Inc. APPL.#44130

**REQUEST:** To approve the application of Sanofi U.S. Services Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Bridgewater Twp., NJ. Project location of Bridgewater, 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 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 \$3,994,397 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

**Grow New Jersey Assistance Program – Modifications**

**ITEM:** F & S Produce Co., Inc. APPL.#43888

**REQUEST:** To consent to change the location of the location of the Qualified Business Facility for the approved Grow NJ from 730 Lebanon Road, Deerfield Twp., Cumberland County to 500 W. Elmer Road, Vineland, Cumberland County.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

**ITEM:** Princeton Tectonics APPL.#39899

**REQUEST:** To consent to a second six-month extension from April 14, 2018 to October 14, 2018.

**MOTION TO APPROVE:** Mr. Albanese **SECOND:** Mr. Delle Cava **AYES:** 13

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

**BOND PROJECTS**

**Bond Resolutions**

**ITEM:** Uncommon CP Properties II, LLC APPL.#42263  
**LOCATION:** Camden City, Camden County  
**PROCEEDS FOR:** Renovation of Existing Building  
**FINANCING:** \$29,833,634.33 Taxable Qualified School Construction Bond  
**MOTION TO APPROVE:** Mr. Huber **SECOND:** Mr. Simon **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

**Amended Bond Resolutions**

**ITEM:** Count Basie Theatre, Inc. APPL.#44208  
**LOCATION:** Red Bank Borough, Monmouth County  
**PROCEEDS FOR:** Refunding  
**FINANCING:** \$6,355,623 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Alagia **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

**ITEM:** Count Basie Theatre, Inc. APPL.#44209  
**LOCATION:** Red Bank Borough, Monmouth County  
**PROCEEDS FOR:** Renovation, Refinancing  
**FINANCING:** \$2,144,377 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. Alagia **SECOND:** Mr. Simon **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

**Combination Preliminary and Bond Resolutions**

**ITEM:** The Kintock Group of New Jersey Inc. APPL.#44382  
**LOCATION:** Newark City, Essex County  
**PROCEEDS FOR:** Acquisition of Existing Building  
**FINANCING:** \$3,000,000 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. Stoller **SECOND:** Mr. Imperatore **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**ITEM:** Visiting Nurse Association of Northern New Jersey, Inc. APPL.#44316  
**LOCATION:** Morristown, Morris County  
**PROCEEDS FOR:** Acquisition of Assets  
**FINANCING:** \$2,500,000 Tax-Exempt Bond  
**MOTION TO APPROVE:** Mr. Huber **SECOND:** Mr. Alagia **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 17  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**LOANS/GRANTS/GUARANTEES**

**Hazardous Discharge Site Remediation Fund**

**ITEM:** Summary of NJDEP Hazardous Site Remediation Fund Program projects approved by the Department of Environmental Protection.  
**MOTION TO APPROVE:** Ms. Kokas **SECOND:** Mr. Mullen **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 18

**PROJECT:** Borough of Woodbine APPL.#44252  
**LOCATION:** Woodbine Borough, Cape May County  
**PROCEEDS FOR:** Remedial Investigation  
**FINANCING:** \$129,645

**PROJECT:** Rahway Redevelopment Agency APPL.#42634  
**LOCATION:** Rahway City, Union County  
**PROCEEDS FOR:** Remedial Investigation  
**FINANCING:** \$235,708

**PROJECT:** Superior-MPM LLC APPL.#39520  
**LOCATION:** Bayonne City, Hudson County  
**PROCEEDS FOR:** Remedial Investigation  
**FINANCING:** \$200,000

**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:** Ms. Kokas **SECOND:** Mr. Stoller **AYES:** 13  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 19

**PROJECT:** Church of the Little Flower APPL.#44074  
**LOCATION:** Berkeley Heights, Union County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$269,220

**PROJECT:** Bill Adams APPL.#42997  
**LOCATION:** Howell Township, Monmouth County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$113,882

**PROJECT:** Michael Becker APPL.#43824  
**LOCATION:** Marlboro Township, Monmouth County  
**PROCEEDS FOR:** Upgrade, Closure, Remediation  
**FINANCING:** \$408,150

**PROJECT:** Ryan Couto APPL.#44297  
**LOCATION:** Asbury Park City, Monmouth County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$122,639

**PROJECT:** G&S Citgo Service Inc. APPL.#44189  
**LOCATION:** Hackensack City, Bergen County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$27,133

**EDISON INNOVATION FUND**

**Technology Business Tax Credit Certificate Transfer Program**

**ITEM:** Technology Business Tax Certificate Transfer Program: 2017  
Program Approvals

**REQUEST:** To approve the applicants which have met the evaluation criteria.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**



**OFFICE OF RECOVERY**

**Energy Resilience Bank**

**ITEM:** Energy Resilience Bank Program Extension of Project Completion Deadline

**REQUEST:** To approve the extension of the disbursement deadline to September 30, 2020 and authorize staff delegation for additional extensions.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 21**

**Stronger New Jersey Business Loans and Grants**

**ITEM:** Application Deadline for Stronger NJ Business Loan Program and Stronger NJ Business Grant Program

**REQUEST:** To approve a deadline for the submittal of all documentation for the Stronger NJ Business Loan Program and Stronger NJ Business Grant Program.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 22**

**REAL ESTATE**

**ITEM:** Technology Centre of New Jersey (Tech Centre), Tech IV, Second Floor  
Biotechnology Development Center

**REQUEST:** To approve items associated with the operation of the Biotechnology Development Center.

**MOTION TO APPROVE:** Mr. Stoller    **SECOND:** Mr. Delle Cava    **AYES:** 13

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 23**

**ITEM:** NJ Unmanned Aircraft Systems Test Sites (NJ UASTS)

First Amendment to the Grant Agreement

**REQUEST:** To approve this First Amendment to the Grant Agreement between NJII and the Authority which will provide: (1) an extension of four months for use of funding (2) an extension for filing the required report until January 31, 2018.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

**ITEM:** PSE&G, Tech Expansion Site, Lot 1.03, North Brunswick, New Jersey

**REQUEST:** To approve entering into a Grant of Easement Agreement with PSE&G to allow necessary entry for maintenance.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

**BOARD MEMORANDUMS**

**FOR INFORMATION ONLY:** Projects approved under Delegated Authority

**Premier Lender Program:** 52 La France LLC (P44355), Global Furniture USA, Inc. (P44364)

**FOR INFORMATION ONLY:** PUST and HDSRF Program Funding Status

**FOR INFORMATION ONLY:** Technology and Life Sciences Delegated Authority Approvals for Q2 2017

**PUBLIC COMMENT**

There was no public comment.

There being no further business, on a motion by Mr. Mullen, and seconded by Mr. Alagia, the meeting was adjourned at 10:49am.

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



Erin Gold, Director, Marketing & Public Affairs  
Assistant Secretary



## MEMORANDUM

**TO:** Members of the Authority

**FROM:** Melissa J. Orsen  
Chief Executive Officer

**DATE:** September 14, 2017

**RE:** Monthly Report to the Board

### **CELEBRATIONS HELD MARKING COMPLETION OF EOA-SUPPORTED PROJECTS**

Completion of Holtec's new headquarters on the Camden Waterfront was marked last week by a ribbon cutting led by the diversified energy technology company's CEO, Dr. Kris Singh. Dr. Singh was joined by local business leaders, elected officials, contractors and developers, and a host of other Camden supporters who have watched the \$260 million campus emerge on the 50-acre site that was once home to the New York Shipbuilding Corporation. The Grow New Jersey (Grow NJ) Program offered the company a compelling way to reduce costs and play a role in the City of Camden's rebirth, rather than locating at a competing site in South Carolina. Throughout the project's construction, Dr. Singh has demonstrated Holtec's commitment to the City of Camden and its residents in many ways, including engaging local suppliers and providing training through a partnership with Camden County College to teach local residents welding skills to help them qualify for positions at Holtec.

In August, just in time for the start of the Fall semester, a ribbon cutting was celebrated at a new mixed-use project adjacent to the Rowan University campus, consisting of student and market rate housing, retail space, classrooms, and a fitness center. The three-building complex is the second of three phases of development supported under the residential Economic Redevelopment and Growth (ERG) program as part of the Rowan Boulevard Redevelopment Enterprise, a \$350 million revitalization project linking the campus with downtown Glassboro.

### **ONGOING EFFORTS GENERATE AWARENESS OF EDA SMALL BUSINESS PROGRAMS**

EDA partnered with the City of Camden last week to formally announce the availability of the Business Lease Incentive (BLI) and Business Improvement Incentive (BII) programs in Camden. The timing is perfect for Camden businesses to apply for these grants, as momentum fueled by programs administered under the Economic Opportunity Act continues to build in Camden and other Garden State Growth Zones.

The BLI program provides reimbursement of a percentage of annual lease payments for two years to for-profit businesses and non-profit organizations in eligible areas that plan to lease between 500 and 5,000 square feet of new or additional market-rate, first-floor office, industrial or retail space for a minimum five-year term. The BII program offers grants of up to 50 percent of total project costs, not to exceed \$20,000, to businesses operating within the first floor of a commercial corridor in GSGZs that are planning to make building improvements, with a minimum project cost of \$5,000. Similar programs, which were administered and funded by the Economic Recovery Board for Camden, were previously available in the City. In response to the success of these programs, and a request from Camden business owners to continue them, the EDA launched the new BLI and BII programs and expanded eligibility to include businesses in designated areas of all GSGZs.

To raise awareness of EDA financing resources for small and mid-sized businesses, a new marketing campaign

will soon be underway. The campaign will include new digital, radio, and social media ads featuring the message “Look Here First”, encouraging business owners to contact EDA early in the process of making a borrowing decision so that they may be well-informed of all financing options available through the State and its banking partners. The ads will direct to a new landing page that will include small business financing information and a product matcher – an interactive tool which will evaluate a business’s needs and recommend compatible EDA financing programs and offer the option to speak to an EDA representative.

### **FORT MONMOUTH REDEVELOPMENT CONTINUES TO HIT KEY MILESTONES**

Progress continues toward the redevelopment of Fort Monmouth, where staff of the Fort Monmouth Economic Redevelopment Authority (FMERA) reports that to date, two-thirds of the Fort’s developable land area is sold, under contract, or in active negotiations.

Following its closing in August on a 13-acre tract of land located in the Fort’s 900 area, the Borough of Oceanport can now move forward with its plans for a new municipal complex consisting of a new town hall, community center and police department building.

Also in August, FMERA advanced its plans for redevelopment of the Suneagles Golf Course in the Eatontown section of the Fort, by approving entry into a Purchase and Sale and Redevelopment Agreement (PSARA) with Martelli Development Group, LLC. The 171-acre parcel includes historic Gibbs Hall, Joe’s Sports Bar/19th Hole, and the 21 vacant buildings that make up the Megill Housing Area. The property also contains an in-ground swimming pool, tennis courts, maintenance facility and pro-shop. Martelli Development Group proposes to renovate Gibbs Hall into a first-class banquet facility, improve the golf course, and build 60 luxury condominium townhomes and 15 affordable rental apartments.

FMERA entered another contract in August that will help to advance redevelopment of the remaining portions of the Fort. Following a Request for Proposal released in May 2017, a team of economic development consulting and marketing professionals with Base Realignment and Closure expertise was selected for real estate marketing and lead generation services. FMERA has selected The Riddle Team, a venture between The Riddle Company, LLC of Washington, D.C. as prime contractor, and EMI Strategy of Newark, New Jersey and Return on Investment, Inc. of Annandale, Virginia, as subcontractors.

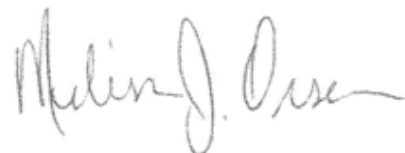
### **CLOSED PROJECTS**

Through August 2017, EDA closed on more than \$204 million in traditional lending assistance to support 113 projects, leveraging more than \$267 million in capital investment and the creation of an estimated 468 new permanent jobs and 734 construction jobs.

In addition to the assistance provided through traditional lending programs, EDA also executed agreements pending certification with 33 projects for more than \$1 billion, leveraging \$3.8 billion in capital investment, creation of 19,994 new jobs, 17,352 construction jobs and retention of 4,626 jobs at risk of leaving New Jersey.

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

EDA representatives participated as speakers, attendees, or exhibitors at 10 events in August. These included the NJ Alliance for Action - Mercer County Chapter Meeting in East Windsor, the Southern New Jersey Development Council “Day on the Delaware”, and the Atlantic City Small Business Summit.



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**AUTHORITY MATTERS**



## MEMORANDUM

To: Members of the Authority

From: Thomas Scrivo  
Chairman

Date: September 14, 2017

Subject: Annual Organizational Meeting

The New Jersey Economic Development Authority's By-Laws provide that an annual reorganization meeting be held in September of each year. The Members are asked to consider the following recommendations associated with the annual reorganization meeting:

### Officers

As has been done in years past, it is recommended that the position of Board Treasurer be held by State Treasurer Ford M. Scudder. I recommend Laurence Downes remain in the position of Vice Chairman, subject to confirmation by the Members.

The appointment of Assistant Secretaries to the Board to support the Secretary in her absence is also required. I am recommending that Tim Lizura, Maureen Hassett, Lori Matheus, Fred Cole, David Lawyer, Rich LoCascio, and Erin Gold serve as Assistant Secretaries. As per the By-Laws, Melissa Orsen, in her role of CEO, will serve as Board Secretary.

### Committees

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

**Director's Loan Review Committee** - Chair: David Huber, Fred Dumont, Patrick Delle Cava, William Albanese, the Commissioner of the Department of Banking and Insurance, and the Commissioner of the Department of Labor and Workforce Development

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

**Audit Committee** – Chair: David Huber, Thomas Scrivo, Charles Sarlo, the State Treasurer, and the Commissioner of the Department of Banking and Insurance

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

**Policy Committee** - Chair: Thomas Scrivo, Charles Sarlo, Larry Downes, David Huber and Philip Alagia

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

**Real Estate Committee** - Chair: Charles Sarlo, Fred Dumont, Harold Imperatore, Massiel Medina Ferrara, the Commissioner of the Department of Environmental Protection and the State Treasurer

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

**Incentives Committee** - Chair: Larry Downes, Thomas Scrivo, Massiel Medina Ferrara, the Executive Branch Designee, the Commissioner of Labor and Workforce Development, and the State Treasurer

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

**Compensation Committee** – Chairman Thomas Scrivo, David Huber, and Larry Downes

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

#### Staff Appointments

I am asking the Board to reaffirm the appointment of Marcus Saldutti as OPRA Custodian and the appointment of Fred Cole as Ethics Liaison Officers.

#### Board Schedule

Attached is a schedule of the monthly Board meetings through September 2018 that I am asking the Board to approve at this time.

**Recommendation:**

By resolution we will be adopting this schedule for the next year's Board meeting dates. I am also seeking your approval for the following actions: 1) Committee appointments as noted above; 2) Appointment of the Assistant Secretaries; 3) Election of a Vice Chair and Treasurer; and 4) the reaffirmation of OPRA Custodian and Ethics Liaison Officers.

Attachment

Prepared by: Patience Purdy



# **NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

## **2017 – 2018 BOARD MEETING DATES**

**Thursday, October 12, 2017**  
**Tuesday, November 14, 2017**  
**Tuesday, December 12, 2017**  
**Tuesday, January 9, 2018**  
**Tuesday, February 13, 2018**  
**Tuesday, March 13, 2018**  
**Tuesday, April 10, 2018**  
**Thursday, May 10, 2018**  
**Tuesday, June 12, 2018\***  
**Thursday, July 12, 2017**  
**Tuesday, August 14, 2018**  
**Thursday, September 13, 2018**

All meetings are held from 10 – 12 Noon in the boardroom unless otherwise noted.

\*June 12, 2018 meeting will be held at FMERA Offices, 100 Barton Avenue,  
Oceanport, NJ 07757

Schedule is subject to change.

## **INCENTIVE PROGRAMS**

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



**MEMORANDUM**

To: Members of the Authority

From: Timothy Lizura  
President and Chief Operating Officer

Date: September 14, 2017

RE: **CP Residential GSGZ, LLC (One Cooper Residential Urban Renewal, LLC)**  
Residential Economic Redevelopment and Growth Grant Program (“RES ERG”)  
P #42320

**Request**

Modify the Project’s Applicant entity from One Cooper Residential Urban Renewal, LLC to CP Residential GSGZ, LLC. The Applicant is a single purpose entity that will be 10% owned by Camden – Michaels Residential Manager, LLC and 90% owned by Camden Residential Fund, LLC. Camden – Michaels Residential Manager, LLC is 100% owned by the Michaels Organization, LLC. The Camden Residential Fund, LLC is comprised of three separate entities:

- Keystone Apartments, LLC 33.3% (General American Capital, LLC, 100% owner of this entity);
- Crimson Apartments, LLC 33.3% (Sidney, Jeffery, and Isaac Brown, 100% owners of this entity);
- Eleven Cooper-Michaels, LLC 33.3% (Michael J. Levitt, 100% owner of this entity).

Keystone Apartments LLC, Crimson Apartments, LLC and Eleven Cooper-Michaels, LLC will solely act as the investors.

**Background:**

On June 14, 2016, the Members of the Authority approved the application of One Cooper Residential Urban Renewal, LLC for a project located in the City of Camden, Camden County for the issuance of tax credits pursuant to the RES ERG program set forth in the New Jersey Economic Opportunity Act of 2013, P.L. 2013, c. 161 (“Act”).

The total costs of the Project are estimated to be \$55,200,000 and of this amount, \$51,074,000 are eligible costs under the RES ERG program. The recommendation is to give 40% of actual eligible costs, not to exceed \$20,429,600. A residential project is eligible to receive a RES ERG tax credit of up to 20% of the total eligible project costs. One Cooper Residential Urban Renewal, LLC is also eligible for a bonus of an additional 20% (for a total of 40%) because the Applicant has demonstrated they will reserve 20% of the units for moderate income housing and the project is located in a Garden State Growth Zone.

As of June 14, 2016, One Cooper Residential Urban Renewal, LLC was a single purposes entity that was 100% owned by One Cooper Residential, LLC. One Cooper Residential, LLC was to be 99.99% owned by a newly created Investor Member LLC. The owners of the Investor Member LLC were Carl Dranoff, Michaels Development, and Riverside Capital, LLC. Dranoff Properties, Inc. was the managing member of One Cooper Residential, LLC and owned .01% of the entity.

Staff analyzed and determined that at the time of approval Dranoff Properties, Inc's financial and operating capacity to complete the Project was satisfactory. Dranoff Properties, Inc. is being replaced by the Michaels Organization, LLC. Staff has also determined that the Michael's Organization has satisfactory financial and operating capacity to complete the project. A complete financial analysis of the Michael's Organization, Keystone Apartments, LLC, Crimson Apartments, LLC, and Eleven Cooper-Michaels, LLC can be found in the Confidential Memo.

The Michaels Organization is a privately-held family of eight integrated but independent companies focused on the investment, development, and management of affordable, military, and student housing. The company's nationwide portfolio includes over 300 properties consisting of over 30,000 units valued at \$1.5 billion.

**Project Description**

The "Project" is the new construction of a mixed-use property that will include two four story buildings. The buildings will be mixed use containing a total of approximately 6,515 square feet of retail space, 184 apartment units and 217 parking spaces. The Project's two parcels of land are located between Cooper Street and Delaware Avenue in the City of Camden. Together the parcels are approximately 3.4 acres and are currently utilized as surface parking lots.


The Project is the second phase in the Camden Waterfront Redevelopment Enterprise ("Enterprise"). The Enterprise is a multi-phase, mixed-use development situated on 20 acres. Planned for up to 2 million square feet of development, the enterprise includes the construction of 207 rental residential units, a 180-bedroom hotel, 22,000 square feet of retail space, 1.4 million square feet of office space, and parking for over 4,000 vehicles. Upon completion, it is anticipated that targeted office space tenants for this development will include 7,300 workers.

On June 8 2017, the Applicant entered into a Purchase and Sales Agreement with Liberty Property Limited Partnership and Camden Town Center, LLC to acquire the land to develop the Project. The Project's anticipated completion date is March of 2019. The statutory completion date for this projection is no later than July 28, 2019.

Although applicants for the RES ERG program are not required to maintain certain employment levels, it is estimated that this Project, per the Applicant, will create approximately 270 temporary construction jobs and 25 full time positions at the Project site as a result of the ERG subsidy.

**Recommendation**

Authority staff has reviewed the proposed modification requesting the Applicant entity change from One Cooper Residential Urban Renewal, LLC to CP Residential GSGZ, LLC and finds that it is consistent with eligibility requirements of the Act. It is recommended that the Members approve and authorize the Authority to modify the Applicant entity for this project.



Timothy Lizura

**Prepared by: Matt Boyle**

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

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

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

**APPLICANT:** Elite Decor, Inc. P44436

**PROJECT LOCATION:** 140 Delawanna Avenue Clifton City Passaic County

**GOVERNOR’S INITIATIVES:**

NJ Urban Fund       Edison Innovation Fund       Core       Clean Energy

**APPLICANT BACKGROUND:**

Elite Decor, Inc. (Elite) was founded in 2002 and is a custom window treatment manufacturer. With products including drapes, roller shades, valances, soft shades, blinds and upholstery, Elite’s products are sold for use in private homes, luxury estates, commercial properties, educational institutions, and hospitality and healthcare facilities. The applicant has demonstrated the financial ability to undertake the project.

**MATERIAL FACTOR/NET BENEFIT:**

Elite is currently located in a 20,000 sq. ft. facility in Brooklyn, NY housing both its headquarters and production operations that it has outgrown dramatically. To facilitate future growth Elite is intending to relocate all of its operations, including 49 existing positions, to a new owned facility and has identified a 78,000 sq. ft. building in Clifton, NJ to be purchased and built out to house these combined operations. The project would represent more than \$2.0 million in capital investment and would result in 100 jobs new to the State, including both jobs relocated from Brooklyn and those expected to be created by anticipated expansion. Alternatively, if it does not elect to relocate to New Jersey, Elite would purchase a 72,000 sq. ft. building in Middletown, NY where it would move its operations and make a comparable investment. The New York building is significantly less expensive and offers considerable upfront savings.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Elite Decor, Inc. has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Chaim Weiss, the CEO of Elite Decor, Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of \$700,525 over the 20 year period required by the Statute.

**ELIGIBILITY AND GRANT CALCULATION:**

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

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

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

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

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

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

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

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

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	\$1,560,000	\$2,060,000
New Jobs	10	100
Retained Jobs	25	0



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

<b>Base Grant</b>	<b>Requirement</b>	<b>Proposed by Applicant</b>
Distressed Municipality	Base award of \$4,000 per year for projects located in a designated Distressed Municipality	Clifton City is a designated Distressed Municipality
<b>Increase(s) Criteria</b>		
Transit Oriented Development	An increase of \$2,000 per job for a project locating in a Transit Oriented Development	140 Delawanna Avenue is located in a Transit Oriented Development by virtue of being within a ½ mile of the midpoint of a New Jersey Transit Corporation rail station.
Capital Investment in Excess of Minimum (non-Mega)	An increase of \$1,000 per job for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of \$3,000	The proposed capital investment of \$2,060,000 is 32.1% above the minimum capital investment resulting in an increase of \$1,000 per year.
Targeted Industry	An increase of \$500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.

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

<b>PROJECT TYPE</b>	<b>GRANT CALCULATION</b>
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.

<b>All other projects</b>	<p>The Retained Full-Time Jobs will receive the lesser of:</p> <ul style="list-style-type: none"> <li>- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * \$7,500 = \$3,750) or</li> <li>- <b>The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (\$2,060,000/ 10 / (100 + 0) = \$2,060)</b></li> </ul> <p>In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.</p>
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<u>Grant Calculation</u>	
<b>BASE GRANT PER EMPLOYEE:</b>	
Distressed Municipality	\$ 4,000
<b>INCREASES PER EMPLOYEE:</b>	
Transit Oriented Development:	\$ 2,000
Capital Investment in Excess of Minimum:	\$ 1,000
Targeted Industry (Manufacturing):	\$ 500
<b>INCREASE PER EMPLOYEE:</b>	<u>\$ 3,500</u>
<b>PER EMPLOYEE LIMIT:</b>	
Distressed Municipality	\$11,000
<b>LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:</b>	\$ 7,500
<b>AWARD:</b>	
New Jobs:	100 Jobs X \$7,500 X 100% = \$ 750,000
Retained Jobs:	0 Jobs X \$2,060 X 50% = <u>\$ 0,000</u>
<b>Total:</b>	<b>\$ 750,000</b>
<b>ANNUAL LIMITS:</b>	
Distressed Municipality	\$ 8,000,000
<b>TOTAL ANNUAL AWARD</b>	<u><b>\$ 750,000</b></u>
<b>TOTAL ANNUAL AWARD BASED ON THE BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO THE AWARD) BEING 110% OF THE AWARD WITH A COMMITMENT TO REMAIN IN THE QUALIFIED BUSINESS FACILITY FOR 20 YEARS:</b>	
New Jobs:	100 Jobs X \$7,003 X 100% = \$700,300
Retained Jobs:	0 Jobs X \$2,060 X 50% = \$ 0,000
<b>TOTAL ANNUAL AWARD</b>	<b>\$700,300 *</b>
<b>* PLEASE SEE RECOUPMENT SCHEDULE BELOW</b>	

RECOUPMENT SCHEDULE		
	<u>YEAR</u>	<u>RECOUPMENT AMOUNT</u>
IF THE APPLICANT LEAVES IN YEAR:	16	\$1,286,533.00
IF THE APPLICANT LEAVES IN YEAR:	17	\$1,010,321.48
IF THE APPLICANT LEAVES IN YEAR:	18	\$ 743,881.60
IF THE APPLICANT LEAVES IN YEAR:	19	\$ 486,867.65
IF THE APPLICANT LEAVES IN YEAR:	20	\$ 238,946.18

**PROJECT IS:**  Expansion  Relocation  
**ESTIMATED ELIGIBLE CAPITAL INVESTMENT:** \$ 2,060,000  
**EXPECTED PROJECT COMPLETION:** March 31, 2018  
**SIZE OF PROJECT LOCATION:** 78,000 sq. ft.  
**NEW BUILDING OR EXISTING LOCATION?** Existing  
**INDUSTRIAL OR NON-INDUSTRIAL FACILITY?** Industrial  
**CONSTRUCTION:**  Yes  No

**NEW FULL-TIME JOBS:** 100  
**RETAINED FULL-TIME JOBS:** 0  
**STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2016):** 0  
**CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:** N/A  
**MEDIAN WAGES:** \$ 28,000  
**NET BENEFIT MODEL:** 2017  
**GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):** \$ 7,703,525  
**TOTAL AMOUNT OF AWARD:** \$ 7,003,000  
**NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):** \$ 700,525

**ELIGIBILITY PERIOD:** 10 years

**CONDITIONS OF APPROVAL:**

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within twelve months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.
6. If the number of employees, salaries or capital investment to be counted in the Net Benefit Test (NBT) falls by more than 10% from the amounts contained herein, the net benefit to the state will need to be recalculated under the then current NBT model, which may reduce the amount of the Grow NJ Award.
7. The applicant will be required to produce a site control document prior to closing that demonstrates control of the site for the entire 20-year period it has committed to remain in the Qualified Business Facility or its award will revert back to the standard award (\$5,716,467 for a 15-year commitment) based on the actual length of the site control document.

**APPROVAL REQUEST:**

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

**DEVELOPMENT OFFICER:** Maggie Peters

**APPROVAL OFFICER:** Kevin DeSmedt

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

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

**APPLICANT:** Gourmet Nut Inc. P44433

**PROJECT LOCATION:** 144 Grant Street Perth Amboy City Middlesex County

**GOVERNOR’S INITIATIVES:**

(X) NJ Urban Fund ( ) Edison Innovation Fund ( ) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

Gourmet Nut Inc., founded in June 2009, was initially launched as an e-commerce gourmet food store with the idea to sell a variety of gourmet foods on a single web based platform. The company currently manufactures and distributes a variety of nuts and dried fruits into an assortment of all natural trail mixes and packages and distributes it to a variety of retailers including supermarkets, convenience and department stores. Gourmet Nut has also developed a line of sea salts and gourmet spice rubs and spice blends. The company is currently headquartered in Brooklyn, NY with 93 employees. The applicant has demonstrated the financial ability to undertake the project.

**MATERIAL FACTOR/NET BENEFIT:**

As the company looks to increase capacity to expand into other retail channels, the company is seeking larger and cost-effective space. Under consideration is the purchase of a 61,950 sq. ft. facility in Perth Amboy, NJ or the lease of 65,000 sq. ft. facility in Allentown, PA. The Grow NJ project includes the creation of 110 jobs.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Gourmet Nut Inc. has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Morris Elbaz, the CEO of Gourmet Nut Inc., that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of \$9.7 million over the 20 year period required by the Statute.

**ELIGIBILITY AND GRANT CALCULATION:**

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

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

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

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

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

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

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

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

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	\$1,239,000	\$6,488,400
New Jobs	10	110
Retained Jobs	25	0

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

Base Grant	Requirement	Proposed by Applicant
Distressed Municipality	Base award of \$4,000 per year for projects located in a designated Distressed Municipality	Perth Amboy is a designated Distressed Municipality
<b>Increase(s) Criteria</b>		
Deep Poverty Pocket or Choice Neighborhood	An increase of \$1,500 per job for a project locating in a Deep Poverty Pocket or Choice Neighborhood	144 Grant Street is located in a Deep Poverty Pocket.

Transit Oriented Development	An increase of \$2,000 per job for a project locating in a Transit Oriented Development	144 Grant Street is located in a Transit Oriented Development by virtue of being within ½ mile of the midpoint of a New Jersey Transit Corporation rail station.
Capital Investment in Excess of Minimum (non-Mega)	An increase of \$1,000 per job for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of \$3,000	The proposed capital investment of \$6,488,400 is 423% above the minimum capital investment resulting in an increase of \$3,000 per year.
Targeted Industry	An increase of \$500 per job for a business in a Targeted Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	The applicant is a Manufacturing business.

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

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
<b>All other projects</b>	The Retained Full-Time Jobs will receive the lesser of: <ul style="list-style-type: none"> <li>- ½ of the Grant Calculation for New Full-Time Jobs (1/2 * \$11,000 = \$5,500) or</li> <li>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (\$6,488,400 / 10 / (110 + 0) = \$5,898)</li> </ul>





**Gourmet Nut Inc.****Grow New Jersey****Page 5**

<b>NEW FULL-TIME JOBS:</b>	110
<b>RETAINED FULL-TIME JOBS:</b>	0
<b>STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2016):</b>	0
<b>CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:</b>	N/A
<b>MEDIAN WAGES:</b>	\$ 28,000
<b>NET BENEFIT MODEL:</b>	2017
<b>GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):</b>	\$ 21,875,770
<b>TOTAL AMOUNT OF AWARD:</b>	\$ 12,100,000
<b>NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):</b>	\$ 9,775,770

**ELIGIBILITY PERIOD:** 10 years

**CONDITIONS OF APPROVAL:**

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within 12 months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

**APPROVAL REQUEST:**

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

**DEVELOPMENT OFFICER:** M. Sestrich

**APPROVAL OFFICER:** T. Wells

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

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

**APPLICANT:** Schuster Meat Corporation P44409

**PROJECT LOCATION:** 60 Industrial Road Lodi Borough Bergen County

**GOVERNOR’S INITIATIVES:**

NJ Urban Fund       Edison Innovation Fund       Core       Clean Energy

**APPLICANT BACKGROUND:**

Schuster Meat Corporation, established in 1941, is a USDA-approved meat manufacturer specializing in boneless bull meat, cow meat, tied and trimmed top rounds and ground beef. The company produces over 23,000 pounds of ground beef per hour and has expanded into prepacked retail case ready products. The applicant has demonstrated the financial ability to undertake the project. The company is currently located in Bronx, NY.

**MATERIAL FACTOR/NET BENEFIT:**

Schuster Meat Corporation is expanding and is in need of additional space. The company is considering purchasing a 53,000 Sq. Ft. facility in Lodi, NJ or leasing a 40,607 Sq. Ft. facility in Bronx, NY. The project involves the creation of 40 new positions.

The location analysis submitted to the Authority shows New Jersey to be the more expensive option and, as a result, the management of Schuster Meat Corporation has indicated that the grant of tax credits is a material factor in the company’s location decision. The Authority is in receipt of an executed CEO certification by Howard Siegel, the CEO of Schuster Meat Corporation, that states that the application has been reviewed and the information submitted and representations contained therein are accurate and that, but for the Grow New Jersey award, the creation and/or retention of jobs would not occur. It is estimated that the project would have a net benefit to the State of \$10.3 million over the 20 year period required by the Statute.

**ELIGIBILITY AND GRANT CALCULATION:**

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

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

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

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

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

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

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

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

Eligibility	Minimum Requirement	Proposed by Applicant
Capital Investment	\$1,060,000	\$8,941,324
New Jobs	10	40
Retained Jobs	25	0

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

Base Grant	Requirement	Proposed by Applicant
Distressed Municipality	Base award of \$4,000 per year for projects located in a designated Distressed Municipality	Lodi Borough is a designated Distressed Municipality
<b>Increase(s) Criteria</b>		
Capital Investment in Excess of Minimum (non-Mega)	An increase of \$1,000 per job for each additional amount of capital investment in an industrial premises that exceeds the minimum amount required for eligibility by 20%, with a maximum increase of \$3,000	The proposed capital investment of \$8,941,324 is 743% above the minimum capital investment resulting in an increase of \$3,000 per year.
Targeted Industry	An increase of \$500 per job for a business in a Targeted	The applicant is a Manufacturing business.

	Industry of Transportation, Manufacturing, Defense, Energy, Logistics, Life Sciences, Technology, Health, or Finance excluding a primarily warehouse, distribution or fulfillment center business	
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The Grow New Jersey Statute and the program’s rules establish a Grant Calculation for **Retained Full-Time Jobs**. The Grant Calculation for Retained Full-Time Jobs for this project will be based upon the following:

PROJECT TYPE	GRANT CALCULATION
Project located in a Garden State Growth Zone	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
A Mega Project which is the U.S. headquarters of an automobile manufacturer located in a priority area	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
The Qualified Business Facility is replacing a facility that has been wholly or substantially damaged as a result of a federally declared disaster	The Retained Full-Time Jobs will receive the same Grant Calculation as New Full-Time Jobs as shown above subject to the same per employee limits.
<b>All other projects</b>	The Retained Full-Time Jobs will receive the lesser of: <ul style="list-style-type: none"> <li>- <b>½ of the Grant Calculation for New Full-Time Jobs (1/2 * \$7,500 = \$3,750)</b> or</li> <li>- The estimated eligible Capital Investment divided by 10 divided by the total New and Retained Full-Time Jobs (<math>\\$8,941,324 / 10 / (40 + 0) = \\$22,353</math>)</li> </ul> In the event that upon completion a project has a lower actual Grant Calculation for New Full-Time Jobs or a lower Capital Investment than was estimated herein, the above calculations will be re-run and the applicant will receive the lesser of the two amounts.

Grant Calculation

<b>BASE GRANT PER EMPLOYEE:</b>		
Distressed Municipality		\$ 4,000
<b>INCREASES PER EMPLOYEE:</b>		
Capital Investment in Excess of Minimum (non-Mega):	\$ 3,000	
Targeted Industry (Manufacturing):	\$ 500	
<b>INCREASE PER EMPLOYEE:</b>		<u>\$ 3,500</u>
<b>PER EMPLOYEE LIMIT:</b>		
Distressed Municipality	\$11,000	
<b>LESSER OF BASE + INCREASES OR PER EMPLOYEE LIMIT:</b>		\$ 7,500
<b>AWARD:</b>		
New Jobs:	40 Jobs X \$7,500 X 100% =	\$300,000
Retained Jobs:	0 Jobs X \$7,500 X 50% =	<u>\$ 0</u>
	<b>Total:</b>	<b>\$300,000</b>
<b>ANNUAL LIMITS:</b>		
Distressed Municipality	\$ 8,000,000	
<b>TOTAL ANNUAL AWARD</b>		<u><b>\$300,000</b></u>

**Schuster Meat Corporation****Grow New Jersey****Page 5**

<b>PROJECT IS:</b> (X) Expansion	( ) Relocation	
<b>ESTIMATED ELIGIBLE CAPITAL INVESTMENT:</b>		\$8,941,324
<b>EXPECTED PROJECT COMPLETION:</b>		January 1, 2020
<b>SIZE OF PROJECT LOCATION:</b>		53,000 sq. ft.
<b>NEW BUILDING OR EXISTING LOCATION?</b>		Existing
<b>INDUSTRIAL OR NON-INDUSTRIAL FACILITY?</b>		Industrial
<b>CONSTRUCTION:</b> (X) Yes	( ) No	

<b>NEW FULL-TIME JOBS:</b>	40
<b>RETAINED FULL-TIME JOBS:</b>	0
<b>STATEWIDE BASE EMPLOYMENT (AS OF DECEMBER 31, 2016):</b>	0
<b>CITY FROM WHICH JOBS WILL BE RELOCATED IN NEW JERSEY:</b>	N/A
<b>MEDIAN WAGES:</b>	\$ 46,478

<b>NET BENEFIT MODEL:</b>	2017
<b>GROSS BENEFIT TO THE STATE (OVER 20 YEARS, PRIOR TO AWARD):</b>	\$ 13,264,947
<b>TOTAL AMOUNT OF AWARD:</b>	\$ 3,000,000
<b>NET BENEFIT TO THE STATE (OVER 20 YEARS, NET OF AWARD):</b>	\$ 10,264,947

<b>ELIGIBILITY PERIOD:</b>	10 years
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**CONDITIONS OF APPROVAL:**

1. Applicant has not entered into a lease, purchase contract, or otherwise committed to remain in New Jersey.
2. Applicant will make an eligible capital investment of no less than the Statutory minimum after board approval, but no later than 3 years from Board approval.
3. No employees that are subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program are eligible for calculating the benefit amount of the Grow New Jersey tax credit.
4. No capital investment that is subject to a BEIP, BRRAG, legacy Grow New Jersey, Urban Transit Hub or other NJEDA incentive program is eligible to be counted toward the capital investment requirement for Grow New Jersey.
5. Within 12 months following approval, the applicant will submit progress information indicating that the business has site plan approval, committed financing for, and site control of the qualified business facility.

**APPROVAL REQUEST:**

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

**DEVELOPMENT OFFICER:** M. Peters**APPROVAL OFFICER:** S. Novak

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



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 14, 2017

**SUBJECT:** ENER-G Rudox Incorporated - Modification  
\$975,000 Grow NJ – P39002

**Request:**

Consent to a second six-month extension from October 8, 2017 to April 8, 2018 to complete the capital investment at the qualified business facility, 180 E. Union Ave., East Rutherford, Bergen County, NJ, and certify costs and jobs.

The members are asked to approve this second six-month extension because staff delegations to approve these actions is limited to the first six-month extension, which was provided to the applicant in April 2017 to extend the time to certify from April 8, 2017 to October 8, 2017.

**Background:**

ENER-G Rudox Inc. (ENER-G) sells CHP and cleantech/renewable energy solutions in the US. It is an advanced-manufacturing facility for cogeneration and energy-efficiency systems, as well as a state-of-the-art network operations center for managing all north American systems.

On April 8, 2014, the members approved a ten (10) year Grow NJ tax credit not to exceed \$975,000 (capped annually at 90% of withholdings) to incent the relocation and expansion into an existing 28,885 square foot industrial facility and the retention of 30 at risk full time jobs from moving out of NJ. The estimated capital investment to complete the project was \$5,350,009.

The Grow New Jersey statute requires projects to be completed and costs and jobs certified within three years of the Authority's approval, however the Authority may grant two six-month extensions of the deadline provided that the tax credit issuance date occur within four years of the date of Board approval. The first of these six-month extensions was provided in April 2017 to extend the timeline from April 8, 2017 to October 8, 2017 to complete the project and certify costs and jobs.

ENER-G is now requesting a second six-month extension. As staff has already provided the first six-month extension to October 8, 2017, the members are asked to approve the second six-month extension to April 8, 2018 to allow the applicant sufficient time to complete the fit out of their large test cell area thereby completing the capital investment for this project and certify costs and jobs. Capital Investment currently stands at \$10.6 million and all 30 at risk jobs have been retained.

**Recommendation:**

Consent to a second six-month extension from October 8, 2017 to April 8, 2018 to allow the applicant to complete the capital investment for the project and certify costs and jobs.

A handwritten signature in black ink, appearing to be "TJ Lizura", is written over a horizontal line.

Prepared by: Keirah Black



**BOND PROJECTS**

**BOND RESOLUTIONS**



**MEMORANDUM**

**TO:** Members of the Authority

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

**SUBJECT:** NJEDA/School Facilities Construction Bonds

**DATE:** September 14, 2017

**SUMMARY OF PROPOSED FINANCING**

The Authority is currently being asked to approve the issuance of one or more series of the 2017 School Facilities Construction Bonds (the “2017 New Money Bonds”) and various related actions described below. The 2017 New Money Bonds (to be issued in an amount not to exceed \$350 million), will be used to finance authorized projects and to pay the costs of issuance of the 2017 New Money Bonds.

**BACKGROUND**

Since April 2001, the Authority has issued prior series of tax-exempt and taxable School Facilities Construction Bonds and Notes in the aggregate principal amount of \$10,451,804,000 for new money projects under the Educational Facilities Construction and Financing Act, L. 2000, c. 72, as amended and supplemented by L. 2007, c. 137 and L. 2008, c. 39 (the “Act”). Additionally, the Authority has issued prior series of refunding bonds in the aggregate principal amount of \$13,865,115,000 that restructured and refunded all or a portion of several Series of tax-exempt and taxable bonds and notes, previously issued under the Act.

The Authority in connection with the School Facilities Construction Program (the “School Program”) has \$9,708,674,000 of tax-exempt and taxable bond and notes outstanding as of September 1, 2017.

**PLAN OF FINANCE**

The Authority is currently being asked to approve the issuance of one or more series of 2017 New Money Bonds. The 2017 New Money Bonds, will be used to: (i) finance authorized projects; and (ii) pay the costs of issuance of the 2017 New Money Bonds.

The plan of finance is designed to: i) provide approximately \$350 million for new money projects for the Schools Program; and ii) generate level debt service from Fiscal Year 2019 through Fiscal Year 2042.

**APPROVAL REQUEST**

The Authority is being requested to approve the adoption of the Thirty-Seventh Supplemental School Facilities Construction Bond Resolution (the “Thirty-Seventh Supplemental Resolution”) authorizing the issuance of one or more series of 2017 New Money Bonds in a principal amount not to exceed \$350 million. The 2017 New Money Bonds will be issued for the purposes described above. The 2017 New Money Bonds will be secured by the State Contract with the Treasurer, as amended by Amendment No.1 to the State Contract dated April 22, 2010, to implement the funding provisions of the 2008 Amendment to the Act (the “State Contract”).

The 2017 New Money Bonds are expected to be issued as fixed rate tax-exempt and/or fixed rate taxable bonds, and subject to the following parameters, all as determined by an Authorized Officer of the Authority, in consultation with the Treasurer, Office of Public Finance, Attorney General’s Office and Bond Counsel:

1. The final maturity of any 2017 New Money Bonds will not exceed thirty (30) years from the date of issuance;
2. The true interest cost of the 2017 New Money Bonds issued as tax-exempt Bonds will not exceed 7%;
3. The true interest cost of the 2017 New Money Bonds issued as taxable Bonds will not exceed 9%;
4. The redemption price of the 2017 New Money Bonds issued on a tax-exempt basis will not exceed 103% of the principal amount of such 2017 New Money Bonds if and when refunded;
5. The redemption price of the 2017 New Money Bonds issued on a taxable basis will not exceed 103% of the principal amount of such 2017 New Money Bonds if and when refunded; provided, however, that the redemption price of any 2017 New Money Bonds issued on a taxable basis subject to optional redemption by the Authority pursuant to a “make-whole” provision may exceed 103% of the principal amount of such 2017 New Money Bonds if so determined by an Authorized Officer of the Authority in a Series Certificate.

The Authority is also being asked to approve certain actions of, and delegation of actions to, an Authorized Officer of the Authority with information provided by the Treasurer, Bond Counsel, and the Attorney General and in consultation with, the Office of Public Finance, Bond Counsel and the Attorney General’s Office, as applicable, and as approved by the Treasurer, which actions are more fully set forth in the Thirty-Seventh Supplemental Resolution, which is incorporated herein by reference, and will be memorialized in one or more Series Certificates, and may include, without limitation:

1. To determine whether to issue one or more series of 2017 New Money Bonds;
2. To determine the date of issuance, sale and delivery, the maturity dates, the principal amount and the redemption provisions of each series of 2017 New Money Bonds in

accordance with the parameters set forth above;

3. To determine whether each series of the 2017 New Money Bonds shall be issued as tax-exempt or taxable bonds and/or notes;
4. To select and appoint any additional co-managers and/or underwriters upon recommendation of the State Treasurer, utilizing Treasury's RFP process in accordance with Executive Order No. 26 and Executive Order No. 37;

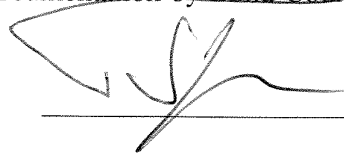
In exercising the Authority's discretion to approve specific transactions authorized under the Thirty-Seventh Supplemental Resolution, it is anticipated that the Authorized Officers of the Authority will make decisions on behalf of the Authority in consultation with the Treasurer.

Subchapter 6.7 (Fee Waiver) of the Authority's rules permits the chief executive officer, with the approval of the Members to waive, postpone or decrease the Authority's closing fees for State agency projects. In the absence of Board action, the Authority's statutory bond closing fee will apply. It is recommended the bond closing fee for this transaction be reduced to one-half of the statutory bond closing fee.

Professionals were selected in compliance with Executive Order No. 26. Chiesa Shahinian & Giantomasi P.C. was selected as Bond Counsel through a competitive RFQ/RFP process performed by the Attorney General's Office on behalf of Treasury for State appropriation-backed transactions. Through Treasury's competitive RFP/RFQ process, as applicable, the following professionals were chosen: Bank of America Merrill Lynch as senior managing underwriter and U.S. Bank National Association as Trustee, Paying Agent, Registrar, and Escrow Agent. The Thirty-Seventh Supplemental Resolution will also authorize Authority staff to take all necessary actions incidental to the issuance of the 2017 New Money Bonds, including without limitation, the selection of additional professionals, if any, pursuant to a competitive process utilizing Treasury's RFP/RFQ process in accordance with Executive Order No. 26 and Executive Order No. 37.

### **RECOMMENDATION**

Based upon the above description, and subject to the criteria set forth above, the Authority is requested to: (i) approve the adoption of the Thirty-Seventh Supplemental Resolution authorizing the issuance of the 2017 New Money Bonds in the total aggregate principal amount not to exceed \$350 million as well as other matters in connection with the issuance and sale thereof and otherwise described above; (ii) approve the several actions and delegation of actions to an Authorized Officer of the Authority as may be necessary or advisable in order to issue the 2017 New Money Bonds and to undertake the other transactions described in (i) above on terms which are in the best interest of the State; (ii) authorize the use of the aforementioned professionals; and (iii) authorize Authority staff to take all necessary actions incidental to the issuance of the 2017 New Money Bonds; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office.



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Prepared by: Teresa Wells

**AMENDED BOND RESOLUTIONS**

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

**APPLICANT:** Friends of Teaneck Community Charter School P44146

**PROJECT USER(S):** Teaneck Community Charter School \* \* - indicates relation to applicant

**PROJECT LOCATION:** 563 Chestnut Avenue Teaneck Township (N) Bergen County

**GOVERNOR'S INITIATIVES:**

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

**APPLICANT BACKGROUND:**

Friends of Teaneck Community Charter School, founded in 1996, is a not-for-profit entity which owns facilities which it leases to the related operating company, Teaneck Community Charter School. Teaneck Community Charter School, established in 1998, is a not-for-profit kindergarten through 8th grade charter school with current enrollment of the maximum authorized 306 students. Per the New Jersey Department of Education, the school's maximum enrollment has increased to 320 students for the 2016-17 school year, 322 students for the 2017-18 school year, and 324 students for the 2018-19 school year. Classes are multi-grade, with four classes at each grade level. The school is located in a two story building, which was renovated in 2009 and encompasses approximately 35,500 SF including a 4,200 SF multi-purpose room and kitchen. The property also includes a parking lot and fenced-in playground and basketball courts. The President of the Board of Friends of Teaneck Community Charter School is Kevin Turner. The School's Lead Person/Director of Operations is Ralph Gallo and the President of Board of Education is Alexandra Soriano-Taveras.

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 refinance the outstanding balance a 2007 bond issuance by the Bergen County Improvement Authority, fund the construction of a gymnasium and vacant space for a Creative Arts Suite, fund a debt service reserve and pay closing costs.

This project is being presented at the September 14, 2017 to increase the total bond amount to \$14 million from \$13 million due to increased construction costs.

**FINANCING SUMMARY:**

**BOND PURCHASER:** Gates Capital Corporation (Underwriter)

<b>AMOUNT OF BOND:</b> \$13,500,000 (Estimated) Tax-Exempt Bond	\$500,000 (Estimated) Taxable Bond
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<b>TERMS OF BOND:</b> 35 year term; Fixed interest rate not to exceed 6.5%.	35 years; Fixed interest rate not to exceed 8.5%
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**ENHANCEMENT:** N/A

**PROJECT COSTS:**

Refinancing	\$9,000,000
Construction of new building or addition	\$2,223,500
Debt service reserve fund	\$845,000
Finance fees	\$454,000
Construction Contingency	\$427,815
Purchase of equipment & machinery	\$232,500
Soft Costs	\$200,500

**APPLICANT:** Friends of Teaneck Community Charter School

P44146

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Furniture & Fixtures	\$185,500
Interest during construction	\$160,000
Engineering & architectural fees	\$140,685
Legal fees	\$108,500
Accounting fees	\$12,000
Renovation of existing equipment & machi	\$10,000
TOTAL COSTS	<u>\$14,000,000</u>

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**JOBS:** At Application 43 Within 2 years 2 Maintained 0 Construction 17

**PUBLIC HEARING:** 05/11/17 (Published 04/27/17) **BOND COUNSEL:** Chiesa, Shahinian & Giantomasi,  
**DEVELOPMENT OFFICER:** K. Durand **APPROVAL OFFICER:** T. Wells



**LOANS/GRANTS/GUARANTEES**

**STATEWIDE LOAN POOL PROGRAM  
(PREMIER LENDER)**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM - (PREMIER LENDER)**

**APPLICANT:** Middletown Bus Depot LLC

P44480

**PROJECT USER(S):** Jay's Bus Service, Inc. \*

\* - indicates relation to applicant

**PROJECT LOCATION:** 49 Kanans Lane

Middletown Township (N) Monmouth

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

**APPLICANT BACKGROUND:**

Middletown Bus Depot, LLC ("MBD") is a newly formed holding company which is acquiring land and building in Middletown. This facility will be solely leased by Jay's Bus Service, Inc. ("Jay's") which is owned in identical fashion to MBD. The property size is 11.473 acres, has an underground fueling tank and three buildings. One building is 2,500 square feet rented to an unrelated tenant. The other two buildings will be used by MBD; one building is 7,200 square feet in office space and the other is 10,800 square feet for bus maintenance. The latter has four garage bays with lifts. The location can park 200 busses.

Jay's was founded in 2008 and provides bus transportation for public and private schools, athletic activities, camps and field trips primarily in Ocean & Monmouth Counties. Jay's is open seven days a week and has over 300 contracts for routes with local Boards of Education, public and private schools and summer schools. Jay's is the largest private bus company serving Ocean and Monmouth counties, and bus over 12,000 students. Jay's fleet of owned vehicles exceeds 300 and includes 30 small buses and 30 minivans. Employment is 250 drivers full/part time plus 25 aides, 15 mechanics and 14 office staff.

Fulton Bank and the EDA closed two loans on June 22, 2017; 1] \$450,000 Fulton Bank to Wayside Bus Depot, LLC (P # 44136) with a 31.11% (\$140,000 EDA participation) and 2] \$2.7 million Fulton loan to Rutgers Bus Depot, LLC (P # 44137) with a 31.85% (\$860,000 EDA participation). Both participations made their initial monthly loan payments to EDA as scheduled.

**APPROVAL REQUEST:**

Approval is requested for a 22.5% (\$900,000) EDA participation in a \$4 million loan from Fulton Bank under the Premier Lender Program.

**FINANCING SUMMARY:**

**LENDER:** Fulton Bank

**AMOUNT OF LOAN:** \$4,000,000 with a 22.5% (\$900,000) EDA participation.

**TERMS OF LOAN:** Borrower's option of floating at 30-day LIBOR plus 227 basis points (indicative rate 3.50% as of 8/10/17) or fixed at 5-year ICE Swap benchmark plus 250 basis points set five days prior to closing (indicative rate 4.40% as of 8/10/17). Call options every five-years based on a twenty-five-year amortization. Monthly payments of principal and interest.

**TERMS OF PARTICIPATION:** Fixed at closing at 5-year US Treasury or 2% whichever is greater, plus 150 basis points. Call option at end of year five. Rate reset at end of year five at same index for an additional five years. Ten-year term based on twenty-year amortization. Monthly payments of principal and interest.

**PROJECT COSTS:**

Acquisition of existing building	\$4,500,000
Environmental Reg.	\$20,000

**APPLICANT:** Middletown Bus Depot LLC

P44480

Page 2

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Legal fees	\$10,000
Finance fees	\$5,000
Accounting fees	\$5,000
<b>TOTAL COSTS</b>	<u>\$4,540,000</u>

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

**DEVELOPMENT OFFICER:** M. Athwal

**APPROVAL OFFICER:** M. Conte

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Timothy Lizura  
President/Chief Operating Officer  
**DATE:** September 14, 2017  
**SUBJECT:** NJDEP Hazardous Discharge Site Remediation Fund Program

The following projects has been approved by the Department of Environmental Protection to perform Supplemental Remedial Investigation and Remedial Action activities. The scope of work is described on the attached project summaries:

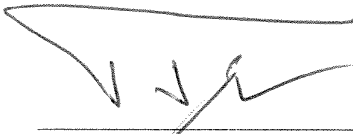
**HDSRF Municipal Grants:**

P44280 99 Chapel Street LLC	\$ 254,108
P44270 City of Elizabeth (Kull Property)	\$ <u>188,102</u>
	\$ 442,210

**HDSRF Commercial Loans:**

P44049 Zeus Realty Corp d/b/a Zeus Complete Automotive Services Inc.	\$ 201,690
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**Total HDSRF Funding – September 2017** **\$ 643,900**



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Timothy Lizura

Prepared by: Reneé M. Krug

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

**APPLICANT:** 99 Chapel Street LLC P44280  
**PROJECT USER(S):** Same as applicant \* - indicates relation to applicant  
**PROJECT LOCATION:** 99 Chapel Street Newark City (T/UA) Essex  
**GOVERNOR'S INITIATIVES:** (X) Urban ( ) Edison ( ) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

99 Chapel Street, LLC is the owner of project site, which is an industrial facility located in Newark. The NJDEP Office of Brownfield Reuse has found the applicant's proposal for financial assistance to be administratively and technically complete and has approved funding to be provided in the form of a Hazardous Discharge Site Remediation Innocent Party Grant under N.J.S.A. 58:10B-Subsection 4, Series A. This Innocent Party Grant has been calculated off 50% of the approved remedial investigation and remedial action project costs \$508,216.

The scope of work involves remedial investigation and remedial action activities including soil sampling and groundwater monitoring, along with receptor and ecological evaluations.

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$254,108 to perform the approved scope of work at the project site.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund  
**AMOUNT OF GRANT:** \$254,108  
**TERMS OF GRANT:** No Interest; No Repayment

**PROJECT COSTS:**

Remedial Action	\$427,003
Remedial investigation	\$81,213
EDA administrative cost	\$500
TOTAL COSTS	\$508,716

**APPROVAL OFFICER:** K. Junghans

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

**APPLICANT:** City of Elizabeth (Kull Property)

P44270

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 216-247 Front Street

Elizabeth City (T/UA)

Union

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

**APPLICANT BACKGROUND:**

In October 2001, City of Elizabeth, received a grant in the amount of \$76,625 under P13314 at the project site identified as Block 1, Lots 168, 350-360, 169 & 170, a former foundry which has potential environmental areas of concern (AOCs). The City of Elizabeth currently owns the project site and has satisfied proof of site control. It is the City's intent, upon completion of the environmental investigation activities to redevelop the project site for a parking lot.

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

According to the HDSRF legislation, a grant can be awarded to a municipality, county or redevelopment entity authorized to exercise redevelopment powers up to 75% of the costs of remedial action for projects within a BDA. The grant has been calculated off 75% of the RA costs \$250,802.

**APPROVAL REQUEST:**

City of Elizabeth is requesting supplemental grant funding to perform RA in the amount of \$188,102 at the Kull Property project site. Total grant funding including this approval is \$264,727.

**FINANCING SUMMARY:**

**GRANTOR:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF GRANT:** \$188,102

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

**PROJECT COSTS:**

Remedial investigation	\$250,802
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$251,302</b>

**APPROVAL OFFICER:** K. Junghans



**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY  
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIATION PROGRAM**

**APPLICANT:** Zeus Realty Corp

P44049

**PROJECT USER(S):** Zeus Complete Automotive Service, Inc. \* \* - indicates relation to applicant

**PROJECT LOCATION:** 120 Watchung Avenue Montclair Township (T/UA) Essex

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

**APPLICANT BACKGROUND:**

Applicant was formed in 1985 when site was purchased from Texaco. Site is leased to Zeus Complete Automotive Service, Inc. ("Zeus") which is owned by same principal as the applicant. Zeus was founded in 1981 and operates a retail gas station.

Cost budget prepared by Environmental & Geotechnical Services, LLC for completion of remedial investigation activities as well as remedial actions based upon knowledge of the site. Activities include monitoring and recovery well installations, slug testing, computer modeling, enhanced fluid recovery, groundwater sampling & analysis, vapor intrusion investigation, public notification, preparation and submission of remedial investigation report, remedial action permit, remedial action report and response action outcome.

NJDEP has found the loan request to be technically eligible for funding through the HDSRF.

**APPROVAL REQUEST:**

Approval of a \$201,690 HDSRF term loan is recommended.

**FINANCING SUMMARY:**

**LENDER:** Hazardous Discharge Site Remediation Fund

**AMOUNT OF LOAN:** \$201,690.00

**TERMS OF LOAN:** Five year term with no monthly payments required; interest to accrue at the Federal Discount Rate set at time of approval or closing (whichever is lower) with a floor of 5%. Principal plus accrued interest is due upon maturity or sale of the property.

**PROJECT COSTS:**

Remedial Action	\$156,640
Remedial Investigation	\$45,050
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$202,190</b>

**APPROVAL OFFICER:** M. Conte

**PETROLEUM UNDERGROUND STORAGE TANK (PUST)**



**MEMORANDUM**

**TO:** Members of the Authority  
**FROM:** Timothy J. Lizura, President/Chief Operating Officer  
**DATE:** September 14, 2017  
**SUBJECT:** NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

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

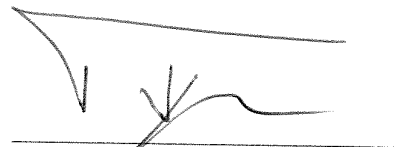
**UST Commercial Grants:**

P44285	Estate of Warren Wilke	\$ 530,346
P44286	George's Friendly Service	\$ 94,312
P44284	Patrick Meyer / Meyers Service Center, Inc.	\$ <u>107,321</u>
		\$ 731,979

**UST Residential Grants:**

P44242	Adam Roller	\$ 16,155
P43998	Anthony & Mary Ellen Ditchkus	\$ 128,348
P43737	Paul Berkeley	\$ <u>127,000</u>
		\$ 271,503

**Total UST Funding – September 2017** **\$1,003,482**

  
\_\_\_\_\_  
Timothy Lizura

Prepared by: Reneé M. Krug

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

**APPLICANT:** The Estate of Warren Wilke P44285

**PROJECT USER(S):** Lysek & Wilke, Inc./H & H Citgo Service Center \* \* - indicates relation to applicant

**PROJECT LOCATION:** 390 Broadway Ave Passaic City (T/UA) Passaic

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

**APPLICANT BACKGROUND:**

Between June 1999 and April 2000, the Estate of Warren Wilke, owner of the project site, received an initial grant in the amount of \$93,400 under P10961 and a supplemental grant in the amount of \$156,600 under P10961s to remove four 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 extensive 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 an aggregate supplemental grant in the amount of \$530,346 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$686,946, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total funding to date for this project is \$780,346, which is permitted under the \$1,000,000 limit for projects within a Metropolitan Planning Area.

The NJDEP oversight fee of \$53,035 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to NJDEP.

**FINANCING SUMMARY:**

**GRANTOR:** Petroleum UST Remediation, Upgrade & Closure Fund

**AMOUNT OF GRANT:** \$530,346

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

**PROJECT COSTS:**

Remediation	\$530,346
NJDEP oversight cost	\$53,035
EDA administrative cost	\$500
TOTAL COSTS	\$583,881

**APPROVAL OFFICER:** W. Wisniewski

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

**APPLICANT:** George's Friendly Service P44286  
**PROJECT USER(S):** Same as applicant \* - indicates relation to applicant  
**PROJECT LOCATION:** 406 New Milford Ave. Dumont Borough (N) Bergen  
**GOVERNOR'S INITIATIVES:** ( ) Urban ( ) Edison (X) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

Between August 1998 and April 2014, George's Friendly Service, owned by Steve Finck and William Finck, received an initial grant in the amount of \$100,000 under P10255 and supplemental grant funding totaling \$385,884 under P10255s, P33693 and P38650 to perform extensive soil and groundwater remediation for the closure of the former underground storage tanks (USTs) at the project site. The tanks were decommissioned in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to continue soil and groundwater remediation.

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

**APPROVAL REQUEST:**

The applicants are requesting aggregate supplemental grant funding in the amount of \$94,312 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$480,196, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$580,196. The project site is located in a Metropolitan Planning Area and is eligible for up to \$1 million in grant funding.

The NJDEP oversight fee of \$9,431 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

**FINANCING SUMMARY:**

**GRANTOR:** Petroleum UST Remediation, Upgrade & Closure Fund  
**AMOUNT OF GRANT:** \$94,312  
**TERMS OF GRANT:** No Interest; 5 year repayment provision on a pro-rata basis in accordance with the PUST Act.

**PROJECT COSTS:**

Remediation	\$94,312
NJDEP oversight cost	\$9,431
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<b>\$103,993</b>

**APPROVAL OFFICER:** K. Junghans

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

**APPLICANT:** Patrick Meyer

P44284

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 84 Kingsland Street

Nutley Township (N)

Essex

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

**APPLICANT BACKGROUND:**

Between May 1999 and April 2013, Patrick Meyer, owner and operator of Meyers Service Center, Inc., received an initial grant in the amount of \$208,310 under P10763 and supplemental grants totaling \$184,244 under P12645, P25316 and P37769 to remove and replace three underground storage tanks (USTs) and perform the required remediation. The NJDEP has determined that the supplemental project costs are technically eligible, to perform groundwater investigation activities.

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 \$107,321 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$291,565, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA's board approvals. Total grant funding including this approval is \$499,875.

The NJDEP oversight fee of \$10,732 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:** \$107,321

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

**PROJECT COSTS:**

Remediation	\$107,321
NJDEP oversight cost	\$10,732
EDA administrative cost	\$500
<b>TOTAL COSTS</b>	<b>\$118,303</b>

**APPROVAL OFFICER:** K. Junghans

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

**APPLICANT:** Adam Roller

P44242

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 126 Meisel Avenue Springfield Township (N) Union

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

**APPLICANT BACKGROUND:**

Between April 2011 and February 2017, Adam Roller received an initial grant in the amount of \$13,843 under P34630 and supplemental grants totaling \$105,189 under P37819, P38481, P41096, P42230 and P43387 to remove a leaking 550-gallon residential #2 heating underground storage tank (UST) and perform the required remediation. The tank was decommissioned and removed in accordance with NJDEP requirements. The NJDEP has determined that the supplemental project costs are technically eligible to perform additional remedial activities.

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

**APPROVAL REQUEST:**

The applicant is requesting aggregate supplemental grant funding in the amount of \$16,155 to perform the approved scope of work at the project site. Because the aggregate supplemental funding including this request is \$121,344, it exceeds the maximum aggregate staff delegation approval of \$100,000 and therefore requires EDA's board approval. Total grant funding including this approval is \$135,187.

The NJDEP oversight fee of \$1,616 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

**FINANCING SUMMARY:**

**GRANTOR:** Petroleum UST Remediation, Upgrade & Closure Fund

**AMOUNT OF GRANT:** \$16,155

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

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$16,155
NJDEP oversight cost	\$1,616
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<hr/> <b>\$18,021</b> <hr/>

**APPROVAL OFFICER:** W. Wisniewski

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

**APPLICANT:** Anthony Ditchkus and Mary Ellen Ditchkus P43998  
**PROJECT USER(S):** Same as applicant \* - indicates relation to applicant  
**PROJECT LOCATION:** 226 19th Avenue Brick Township (T/UA) Ocean  
**GOVERNOR'S INITIATIVES:** ( ) Urban ( ) Edison ( ) Core ( ) Clean Energy

**APPLICANT BACKGROUND:**

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

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

**APPROVAL REQUEST:**

The applicants are requesting grant funding in the amount of \$128,348 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$12,835 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

**FINANCING SUMMARY:**

**GRANTOR:** Petroleum UST Remediation, Upgrade & Closure Fund  
**AMOUNT OF GRANT:** \$128,348  
**TERMS OF GRANT:** No Interest; No Repayment

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$128,348
NJDEP oversight cost	\$12,835
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<b>\$141,433</b>

**APPROVAL OFFICER:** K. Junghans



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

**APPLICANT:** Paul Berkeley

P43737

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

\* - indicates relation to applicant

**PROJECT LOCATION:** 225 Pacific Ave

Beachwood Borough (T) Ocean

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

**APPLICANT BACKGROUND:**

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

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

**APPROVAL REQUEST:**

The applicant is requesting grant funding in the amount of \$127,000 to perform the approved scope of work at the project site.

The NJDEP oversight fee of \$12,700 is the customary 10% of the grant amount. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

**FINANCING SUMMARY:**

**GRANTOR:** Petroleum UST Remediation, Upgrade & Closure Fund

**AMOUNT OF GRANT:** \$127,000

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

**PROJECT COSTS:**

Upgrade, Closure, Remediation	\$127,000
NJDEP oversight cost	\$12,700
EDA administrative cost	\$250
<b>TOTAL COSTS</b>	<hr/> <b>\$139,950</b> <hr/>

**APPROVAL OFFICER:** K. Junghans

**OFFICE OF RECOVERY**

**STRONGER NJ BUSINESS LOANS AND GRANTS**



## MEMORANDUM

**TO:** Members of the Authority

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

**DATE:** September 14, 2017

**SUBJECT:** Formica Brothers LLC  
\$2,095,216 Stronger NJ Business Loan  
P38858

**Request:**

Consent to a 1-year principal payment moratorium.

**Background:**

Formica Brothers LLC, dba Formica Brothers Bakery (“FBB”) was founded in 1919 and bakes over 200 types (over 45,000 pieces daily) of bread. FBB has over 300 corporate and restaurant accounts in Southern New Jersey, and supplies local businesses, schools, and markets.

In February 2014, the Authority provided a \$2,239,459 working capital term loan (with \$2,095,216 disbursed) under the Stronger NJ Business Loan program to assist FBB following Hurricane Sandy. In August 2016, the Members consented to the Company’s request to extend the loan term to 240 months (from 120 months) to provide debt service relief.


Following the May 2016 injury to an employee on the bakery’s production floor, the FBB was subject to OSHA citations of \$119,462 and was required to fund improvements to the facility to enhance worker safety. The cost of the citations and improvements, along with costs incurred to hire a safety manager, safety training, higher insurance costs and legal expenses, which are ongoing due to lawsuit filed by the injured employ, have exhausted the company’s working capital and impaired FFB from fully realizing cost savings from their recent acquisition of a 25,000-sf facility in Pleasantville, and new sales expected from the purchase local competitor.

FBB entered into a settlement agreement with OSHA to abate the violations and to implement enhanced safety measures. EDA staff, in conjunction with the Attorney General’s office, undertook a debarment review of the OSHA violations and concluded, under delegated authority, that no debarment was warranted.

Currently, FBB has requested a 1-year principal payment moratorium to conserve cash flow as the company improves operations. Monthly interest payments will continue to be made.

**Recommendation:**

Consent to the approval of a 1-year principal payment moratorium to provide cash flow relief to the Borrower.

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

**Prepared by:** Heather M. O'Connell

**REAL ESTATE**



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

MEMORANDUM

**TO:** Members of the Authority

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

**RE:** Purchase & Sale Agreement with the Fort Monmouth Economic Revitalization Authority with respect to Parcel F-1 in Tinton Falls

**DATE:** September 14, 2017

Request

I am requesting that the Board authorize: (i) the execution of a Purchase & Sale Agreement (“PSA”) between the Authority and the Fort Monmouth Economic Revitalization Authority (“FMERA”) for an approximately 36.3-acre parcel in the Tinton Falls section of the Fort that includes Building 2700, also known as the Myer Center, and Building 2705, the former Night Vision Lab (the “Property” or “Parcel F-1”); (ii) the execution of a mortgage on the Property as further outlined below; (iii) an increase in the amount of \$194,300 to the T&M Associates (“T&M”) contract for Construction Administration Phase services and Environmental Site Investigation services; and (iv) the expenditure of funds to remediate and demolish the Myer Center and other existing improvements located on the Property in the amount of \$7,328,771 as outlined in the attached budget.

Background

The Tinton Falls Reuse Area contains several prominent buildings, including Building 2700, the 673,540± gsf Myer Center, and Building 2705, the 43,230± gsf former Night Vision Lab, both of which are slated to be renovated for office, data center and/or research & development uses in the Fort Monmouth Reuse and Redevelopment Plan (“Reuse Plan”). These facilities, along with their support buildings and parking fields, cover 36.3± acres (see parcel map attached). Known as Parcel F-1, this 36.3± acre tract is a Phase One property in FMERA’s June 25, 2012 Economic Development Conveyance Agreement with the Army (“EDC Agreement”). With the exception of a 0.285 acre environmental carve-out area (ECP 16), FMERA took ownership of Parcel F-1 from the Army by deed dated May 29, 2014.

While FMERA has encountered limited interest in the buildings due to their size and age, it has received inquiries about the site given the Property’s excellent location adjacent to the Garden State Parkway. The existing buildings, however, are a significant impediment to redevelopment, due to their poor condition and the scale of the required demolition. This was borne out by FMERA’s December 5, 2014 Request for Offers to Purchase for the Property, which resulted in no offers from developers or users.

Last year, EDA and FMERA staff began to explore how the parties could work together to facilitate development of the Property. The Authority possesses substantial and significant experience managing large scale demolition and redevelopment projects across the state. Because of the Authority's experience and expertise in undertaking redevelopment projects, FMERA's enabling legislation authorized it to enter into designated redevelopment agreements with EDA for property within Fort Monmouth allowing for the Authority's active role in the redevelopment effort.

In July 2016, the Board authorized staff to enter into a Memorandum of Understanding with EDA for Site Acquisition and Environmental Remediation and Demolition Consulting Services ("MOU") with respect to the Property, and the Authority subsequently retained T&M Associates to prepare plans and specifications for the remediation and demolition of the Myer Center and the other improvements on the Property. Subsequently, the Authority issued an Invitation to Bid on Abatement, Demolition and Site Improvements with respect to the Property on June 26, 2017, and is seeking the Board's approval to enter into a Contractor Agreement with the low bidder, Tricon Enterprises, at today's meeting. To facilitate demolition, and in accordance with the MOU, FMERA obtained the Army's consent to convey the Property to the Authority for \$1.00 through an October 2016 amendment to the EDC Agreement.

#### The Purchase & Sale Agreement

Authority and FMERA staff have negotiated the terms of a proposed PSA whereby the Authority will fund and manage asbestos and lead-based paint abatement and demolition of the 750,000± sf of buildings on the Property in return for title to the 36.3-acre site.

The Authority would have the right but not the obligation to purchase or assign the property, including the 0.285 acre environmental carve-out area (ECP 16), in whole or in part within 10 years. The PSA would allow the Authority to assign the agreement in whole or in part to an assignee(s) without taking title; the assignee(s) must agree to take the Property "as is, where is" and also hold FMERA and EDA harmless. The federally-required Homeless Trust payment of \$20,055/acre would be paid by the Authority's assignee(s) at closing, provided however that in the event the Property has not been sold to an end user within five (5) years, the Authority would pay FMERA fifty (50%) percent of the Homeless Trust payment at that time. The Authority shall be entitled to a Due Diligence Period of 180 days so that it can confirm the acceptability of the Property. FMERA may convey the 0.285 acre environmental carve-out area (ECP 16) to the Authority or its assignee(s) at a subsequent closing upon the Army's completion of remediation and confirmation of environmental clearance.

In October of 2016, the Board authorized execution of a contract with T&M in the amount of \$644,400 to provide civil and environmental engineering services associated with the remediation, demolition and site improvements on the Property. The Authority intends to amend the contract with T&M for additional Construction Administration Phase Services in the amount of \$77,300. Additionally, Environmental Site Investigation Services are required to preserve the Authority's statutory immunity from liability as an innocent purchaser. T&M has submitted a proposal to provide these services in the amount of \$117,000, which amount includes a twenty percent (20%)



contingency. Therefore, approval is requested to increase T&M's contract for the additional services in the amount of \$194,300.

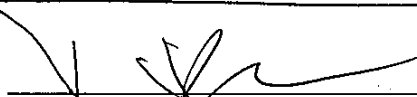
FMERA agrees to execute a mortgage on the Property in the amount of the Board-approved budget, and the Authority will release the mortgage proportionately upon sale to each redeveloper. The mortgage will remain on the property until all parcels are sold or the Authority forgives any remaining amount due. If through the assignment(s) the Authority nets more than the total funds expended under its approved budget, plus out of pocket carry costs, return of 5% and environmental remediation costs, if any, it will share the proceeds equally with FMERA. FMERA will provide marketing and property management services until the entire Property is sold; these costs will be reimbursed after the Authority is paid and before the split of any net proceeds.

Pursuant to the FMERA Act, the Authority and FMERA will negotiate and execute a Designated Redevelopment Agreement for the Board's consideration, and the Authority will negotiate redevelopment agreements with each purchaser or assignee.

Attached for your review is a substantially final form of the PSA. The final form of the PSA will be subject to the approval of the Chief Operating Officer and the Attorney General's Office.

Recommendation

In summary, I am requesting that the Board authorize: (i) the execution of a Purchase & Sale Agreement between the Authority and the Fort Monmouth Economic Revitalization Authority for an approximately 36.3-acre parcel in the Tinton Falls section of the Fort that includes Building 2700, also known as the Myer Center, and Building 2705, the former Night Vision Lab; (ii) the execution of a mortgage on the Property on final terms acceptable to the NJEDA's President/Chief Operating Officer, FMERA's Executive Director and the Attorney General's Office; (iii) an increase in the amount of \$194,300 to the T&M Associates contract for Construction Administration Phase services and Environmental Site Investigation services; and (iv) the expenditure of funds to remediate and demolish the Myer Center and other existing improvements located on the Property in the amount of \$7,328,771 as outlined in the attached budget.

  
\_\_\_\_\_  
Timothy J. Lizura  
President/Chief Operating Officer

Attachments: Proposed Purchase & Sale Agreement  
Project Budget  
Property Map

Prepared by: Donna T. Sullivan and David E. Nuse

**PURCHASE AND SALE AGREEMENT**

**BETWEEN**

**FORT MONMOUTH ECONOMIC REVITALIZATION AUTHORITY**

**As Seller,**

**AND**

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**As Purchaser**

**As of \_\_\_\_\_, 2017**

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**EXHIBIT LIST**

- A. Quitclaim Deed from Army to FMERA (Army Quitclaim Deed) [Attached]**
- B. Boundary Survey [Attached]**
- B-1. Environmental Carve-out Survey [Attached]**
- C. Title Insurance Binder [To be provided by Purchaser Prior to Closing]**
- D. Memorandum of Understanding with EDA for Site Acquisition and Environmental Remediation and Demolition Consulting Services [Attached]**
- E. EDA Approved Budget [Attached]**
- F. Economic Development Conveyance Agreement dated June 25, 2012, between the United States Department of the Army and FMERA [Attached]**
- G. Amendment dated October 25, 2016, to the June 25, 2012 Economic Development Conveyance Agreement [Attached]**

**PURCHASE AND SALE AGREEMENT**

This **PURCHASE AND SALE AGREEMENT** (“Agreement”) is made as of \_\_\_\_\_, 2017 (“Effective Date”) between **Fort Monmouth Economic Revitalization Authority**, (“FMERA” or “Seller”) a public body corporate and politic constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L. 2010, c. 51, N.J.S.A. 52:27I-18 et seq. (the “FMERA Act”), whose address is 502 Brewer Avenue, Oceanport, New Jersey 07757, and **New Jersey Economic Development Authority**, a public body corporate and politic constituted as an independent authority and instrumentality of the State of New Jersey, pursuant to P.L.1974, c.80, N.J.S.A. 34:1B-1 et seq., with an address of 36 West State Street, PO Box 990, Trenton, New Jersey 08625 (“EDA” or “Purchaser”). Seller and Purchaser are referred to herein collectively as the “Parties” and individually as a “Party.”.

**WITNESSETH:**

**WHEREAS**, on behalf of the United States Secretary of Defense, Office of Economic Adjustment recognizes the Seller as the local redevelopment authority for Fort Monmouth, located in the Boroughs of Oceanport, Eatontown and Tinton Falls, New Jersey; and

**WHEREAS**, there exists an Economic Development Conveyance Agreement dated June 25, 2012, (and attached here as Exhibit F), between the United States Department of the Army (“Army”) and FMERA which addresses the terms by which the Army transferred to Seller a portion of Fort Monmouth, which includes the Property (as defined below); and

**WHEREAS**, FMERA and the Army executed an amendment (attached here as Exhibit G) to the Economic Development Conveyance Agreement as of October 25, 2016 to, among other things, allow FMERA to convey the Property to EDA with no monetary consideration due the Army, provided that FMERA assures that EDA provides for the required payment to the FMERA Homeless Trust, as defined in the EDC Agreement, as a condition of the subsequent sale of the Property or any portions thereof; and

**WHEREAS**, Seller is subject to the terms and conditions of the EDC Agreement; and

**WHEREAS**, attached hereto as Exhibit A is the quitclaim deed by which the Army conveyed the Property and other land and property in Fort Monmouth to FMERA (the “Army Quitclaim Deed”) by deed entitled “Quitclaim Deed, Fort Monmouth Military Reservation, Portions of the Main Post and Charles Wood Area, Monmouth County, New Jersey,” and hereinafter referred to as the “Charles Wood Deed,” dated as of May 29, 2014 and recorded in the Office of the Monmouth County Clerk in Book OR-9070 at Page 9803 on June 30, 2014; and

**WHEREAS**, FMERA previously publicly advertised a Request for Offers to Purchase (“RFOTP”) an approximately 38-acre parcel known as Parcel F-1 a/k/a the Myer Center Site and its associated facilities (the “Property” as further identified, described and defined herein and on the survey set forth in Exhibit B hereto) in accordance with FMERA’s Rules for the Sale of Real and Personal Property, N.J.A.C. 19:31C-2.1 et seq. The Property is situated along Pearl Harbor Avenue and Corregidor Road in Tinton Falls, New Jersey.

**WHEREAS**, subsequent to the date of the RFOTP, the Parties have determined the actual acreage of the Property to be 36.3 acres, as depicted on Exhibit B. In addition to the acreage, the Property includes five (5) buildings (Buildings 2700, 2705, 2706, 2715 and 2018); and

**WHEREAS**, FMERA received no offers to purchase the Property and subsequently entered in to a Memorandum of Understanding (“MOU”) with EDA for Site Acquisition and Environmental Remediation and Demolition Consulting Services attached hereto as Exhibit D; and

**WHEREAS**, EDA issued an Invitation to Bid on Abatement, Demolition and Site Improvements on June 26, 2017 (the “Work”) and intends to enter into a Contractor Agreement with Tricon Enterprises, Inc.; and

**WHEREAS**, the Army is currently conducting an environmental remediation on an approximately 0.285-acre portion of the Property designated by the Army as ECP16 and identified on the survey attached as Exhibit B-1 hereto (“the Environmental Carve-Out Parcel”) which will be conveyed to FMERA via quitclaim deed upon the Army’s completion of remediation and issuance of a Subsequent FOST; and

**WHEREAS**, the Purchaser intends to either purchase the Property at the time the Property is sold or leased to another party, or assign its rights and obligations under this Agreement in connection with the redevelopment of the Property or portions thereof; and

**WHEREAS**, Seller desires to sell to Purchaser or Purchaser’s assignee(s), and Purchaser desires to purchase from Seller or assign its right to purchase from Seller, the Property subject to the terms and conditions set forth herein.

**NOW THEREFORE**, for good and valuable consideration, the mutual receipt and legal sufficiency of which the Parties hereby acknowledge, Seller and Purchaser hereby agree as follows:

**1. Definitions**

For all purposes of this Agreement, the following terms shall have the respective meanings set forth below:

- a. “**Agreement**” means this Purchase and Sale Agreement dated above, as same may be amended, modified or supplemented from time to time by written instrument signed by the Parties.
- b. “**Army**” means the United States of America, acting by and through the Secretary of the Army and any division, department or agency thereof.
- c. “**CERCLA**” means the Comprehensive Environmental Response and Liability Act of 1980 (P.L. 96-510) as amended.
- d. “**CERCLA Covenants**” shall have the meaning ascribed in Section 17.
- e. “**Closing**” shall mean the conveyance of a portion or all of the Property from the Seller to the Purchaser or Purchaser’s assignee(s) and the delivery of the Purchase Price from the Purchaser or Purchaser’s assignee(s) to the Seller which shall occur upon the satisfaction of the conditions precedent to that Closing.
- f. “**Conditions Precedent to Closing**” shall mean the obligations of the Purchaser and Seller which are set forth in Section 10.



- g. **“Designated Redevelopment Agreement”** pursuant to N.J.A.C. 19:31C-3.2, means the redevelopment agreement(s) to be entered into by and between FMERA and the EDA as a designated redeveloper.
- h. **“Designated Redeveloper”** means the EDA, acting pursuant to a Designated Redevelopment Agreement.
- i. **“Discharge”** pursuant to N.J.S.A. 58:10-23.11b, as same may be amended, means any intentional or unintentional action or omission resulting in the releasing, spilling, leaking, pumping, pouring, emitting, emptying or dumping of Hazardous Substances into the waters or onto the lands of the State, or into waters outside the jurisdiction of the State when damage may result to the lands, waters or natural resources within the jurisdiction of the State.
- j. **“Due Diligence Period”** Purchaser will have a period of one hundred eighty (180) days following execution of this Agreement to investigate the suitability of the site for development. In the event a Phase 2 environmental investigation is required, Purchaser may be entitled to an additional extension of up to ninety (90) days based on the agreement of the Parties. At Purchaser’s option, Purchaser may terminate the PSA for any reason whatsoever during due diligence, without penalty.
- k. **“EDC Agreement”** shall mean the Agreement between the Army and FMERA dated June 25, 2012, as amended as of October 25, 2016, which sets forth the terms by which the Army conveyed portions of Fort

Monmouth (including the Property) to FMERA and the terms under which FMERA will acquire same from the Army.

- l. “EDA Approved Budget”** shall mean the Project budget approved by the EDA Board on \_\_\_\_\_, 2017.
- m. “Effective Date”** shall mean the date set forth in the introductory paragraph of this Agreement.
- n. “End Purchaser”** shall mean a purchaser of a portion or all the Property from Purchaser or to Purchaser’s assignee(s) with the right to purchase a portion or all the Property from Seller.
- o. “End Purchaser Closing”** shall mean the transfer of a portion or all of the Property from the Purchaser or Seller, as applicable, to an End Purchaser.
- p. “Environmental Carve-Out Parcel”** shall mean the portion of the Property designated as ECP 16 where the Army retains ownership pending environmental investigations or remedial actions by the Army.
- q. “Environmental Laws”** or “**Environmental Law**” shall mean each and every applicable federal, state, county or municipal environmental and/or health and safety statute, ordinance, rule, regulation, order, code, directive or requirement.
- r. “Final Remediation Document”** pursuant to N.J.S.A. 58:10-23.11b, as it may be amended, means a no further action letter (“NFA”) issued by the NJDEP pursuant to N.J.S.A. 58:10B-1 et al., or a response action outcome (“RAO”) issued by a licensed site remediation professional pursuant to N.J.S.A. 58:10C-14.

- s. **“Finding of Suitability to Transfer”** or **“FOST”** means the document entitled “Draft Final Finding of Suitability to Transfer, (FOST), Fort Monmouth, New Jersey, Charles Wood Area” dated August 13, 2013 and prepared by the Army. The purpose of the FOST is to document the environmental suitability of certain parcels at Fort Monmouth for transfer to FMERA consistent with CERCLA Section 120(h) and Department of Defense Policy. In addition, the FOST includes CERCLA Notice, Covenant and Access Provisions and other Deed Provisions and the Environmental Protection Provisions necessary to protect human health or the environment after transfer of certain parcels from the Army to FMERA.
- t. **“Hazardous Substances”** means all substances set forth in N.J.A.C. 7:1E-1.7 as same may be amended from time to time.
- u. **“Improvements”** shall mean the building, fixtures and structures located on Property.
- v. **“Municipality”** shall mean the Borough of Tinton Falls, in the County of Monmouth, State of New Jersey.
- w. **“No Further Action Letter”** (“NFA”) has the same meaning as set forth at N.J.S.A. 58:10B-1.
- x. **“Person”** means an individual, partnership, limited liability company, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, government authority, or other entity of whatever nature.

- y. **“Property”** means the land and premises designated as a portion of Block 101, Lot 1 in the Borough of Tinton Falls, County of Monmouth, including various buildings and structures on the former Fort Monmouth, situated on an approximately 36.3-acre parcel as shown on the boundary and topographic survey prepared for Purchaser by T&M Associates attached hereto as Exhibit B. The Property is situated along Pearl Harbor Avenue and Corregidor Road in Tinton Falls. In addition to the acreage, the Property includes five (5) existing buildings (buildings 2700, 2705, 2706, 2715, and 2018). The Property is further described in Section 3.
- z. **“Purchaser”** shall mean the New Jersey Economic Development Authority (“EDA”).
- aa. **“Purchase Price”** is the price that the Purchaser shall pay the Seller for the Property. The Purchase Price shall be paid as described in Sections 4 and 5.
- bb. **“Redeveloper”** shall mean, in the context of this Agreement, the End Purchaser selected by EDA and consented to by FMERA. The Redeveloper shall be required to enter into a Redevelopment Agreement with EDA for the redevelopment of the Property or any portion thereof.
- cc. **“Redevelopment Agreement”** pursuant to N.J.A.C. 19:31C-3.2 means an agreement regarding redevelopment of the Property or any portion thereof between FMERA and the redeveloper or between the EDA as designated redeveloper and the redeveloper. The agreement shall provide that FMERA shall have the right, at FMERA’s sole option, to purchase the property

subject of the agreement if redeveloper has not met the timeframes for commencement and completion of the redeveloper's project. The term "Redevelopment Agreement" shall not include the designated redevelopment agreement between the EDA as designated redeveloper and FMERA.

**dd. "Response Action Outcome" ("RAO")** has the same meaning as set forth at N.J.S.A. 58:10-23.11b, as amended.

**ee. "Reuse Plan"** refers to the Fort Monmouth Reuse and Redevelopment Plan.

**ff. "Reuse Plan Amendment"** means a final and unappealable amendment to the Reuse Plan adopted by FMERA pursuant to N.J.S.A. 19:31C-3.27(c).

**gg. "Subsequent FOST"** shall mean the document to be issued by the Army confirming the environmental suitability of the Environmental Carve-out Parcel for transfer to Seller, consistent with CERCLA Section 120(h) and Department of Defense Policy. In addition, the Subsequent FOST will include the CERCLA Notice, Covenant and Access Provisions and other Deed Provisions and the Environmental Protection Provisions necessary to protect human health or the environment after transfer of the Environmental Carve-out Parcel from the Army to Seller.

## **2. Purchase and Sale Agreement.**

Subject to the terms and conditions set forth in this Agreement and the performance by the Parties of all of the obligations hereunder, the Seller agrees to sell and convey to Purchaser,

and the Purchaser agrees to purchase and acquire from Seller, the Property. The Seller will sell and convey to the Purchaser the Property in its as-is condition, which consists of: (a) the land and buildings, other improvements and fixtures on the land; (b) all of the Seller's rights relating to the land; and (c) all personal property specifically included in this Agreement.

**3. The Property.**

The Property is the buildings and its associated property, Fort Monmouth, Tinton Falls, NJ situated on an approximately 36.3-acre parcel as shown on the boundary and topographic survey prepared for Purchaser by T&M Associates (the "Property" as further identified, described and defined herein). The Property is situated along Pearl Harbor Avenue and Corregidor Road in Tinton Falls. In addition to the acreage, the Property includes five (5) buildings (buildings 2700, 2705, 2706, 2715, and 2018). The Property is more fully described in the attached Exhibit B.

**4. The Purchase Price.**

Subject to adjustments as called for in Section 21, the price that the Purchaser will pay the Seller for the Property is One (\$1.00) Dollar.

**5. Payment of the Purchase Price and Homeless Trust Fund Contribution.**

- a. The Purchase Price is due upon the first Closing.
- b. Pursuant to the EDC Agreement, a contribution to the FMERA Homeless Trust Payment shall be required from End Purchasers in the total amount of Twenty

Thousand Fifty-Five (\$20,055) Dollars per acre. Fifty (50%) percent of the FMERA Homeless Trust Payment shall be due and payable no later than five (5) years from the Effective Date, regardless of whether any End Purchaser Closings have occurred, with the remainder due, at a rate proportional to the remaining amount divided by the remaining acres, at all subsequent End Purchaser Closings.

**6. Redevelopment of the Property.**

Purchaser represents that it intends to acquire the Property in furtherance of its public purpose to increase opportunities for employment by facilitating the provision of buildings, structures and other facilities. Specifically, Purchaser intends to: (i) demolish the approximately 750,000 sf of obsolete buildings located on the Property; (ii) market the Property to prospective redevelopers and/or users; and (iii) sell the Property or assign its rights to purchase the Property to one or more End Purchasers. Prior to the first Closing, Seller and Purchaser shall enter into a Designated Redevelopment Agreement that will address the obligations of EDA as Designated Redeveloper.

**7. Prevailing Wage.**

Prevailing wage will only apply to the extent that a project includes “public work” as that term is defined in the State Prevailing Wage Act, N.J.S.A. 34:11-56.25 et seq., if the applicant receives financial assistance from FMERA, the State or any other State entity, or to the extent that the EDA prevailing wage requirement applies.

**8. Title and Survey Investigations.**

- a. Purchaser's survey of the Property is attached as Exhibit B to this Agreement. No later than ninety (90) days from the Effective Date, Purchaser shall deliver to Seller a copy of Purchaser's survey objections. Not later than ten (10) days after Seller receives Purchaser's survey objections, Seller shall notify Purchaser which of the objections, if any, Seller shall cure prior to or at the first Closing, including when and in what manner said items are to be cured. If Purchaser is dissatisfied with Seller's response or lack of response, Purchaser may either terminate this Agreement within thirty (30) days of receipt of Seller's response (or within thirty (30) days of Seller's failure to respond) or proceed under this Agreement. If Purchaser elects to proceed under this Agreement after Purchaser supplies an unsatisfactory response or no response, then Purchaser's election is deemed an acceptance of the survey objections by the Purchaser and Seller shall have no further obligation to cure the Purchaser's survey objections either prior to or at any Closing.
- b. Purchaser shall have the further right to order a title examination(s) no later than ninety (90) days from the Effective Date. The Parties shall be subject to the same objection and cure rights and obligations set forth in Section 8(a) hereof. Purchaser shall have the further right to order a title examination(s) and a subsequent run-down at any time prior to the first Closing, at Purchaser's cost and expense, and to submit to Seller the title examination and any title



and/or survey objections which may have arisen since the initial title and survey examination.

- c. If Seller fails to meet the requirements of this Section 8, or if Seller has agreed to cure a survey or title objection pursuant to Section 8(a) or Section 8(b) and fails to do so, or if Purchaser has title and/or survey objections as a result of its run-down title examination pursuant to Section 8(b) and Seller fails to cure such objections, then Purchaser may: i) delay the first Closing to a date mutually agreed upon by Seller and Purchaser so that Seller or Purchaser removes or cures such non-permitted exception at Seller's expense; or ii) terminate this Agreement.
- d. From the date of this Agreement, Seller shall not permit any further encumbrance on the Property without Purchaser's prior written consent, which consent may be withheld for any reason.

**9. Due Diligence Period.**

- a. Purchaser, its agents and Purchaser's prospective assignees, shall have the right, during the Due Diligence Period, and at all times during the term of this Agreement, to access the Property, to inspect the Property and to investigate all matters relating thereto, including, but not limited to, existing zoning requirements, the physical condition of the Property, the environmental condition of the Property and its environs, and any other matters Purchaser deems relevant to its decision to purchase the Property.

- b.** Pursuant to subparagraph (a) above, Seller is also to grant Purchaser a license to enter the Property prior to closing for the purposes of: 1) conducting due diligence investigations; 2) facilitating Purchaser's planning, design, financing and approvals; and 3) allowing Purchaser to commence and complete the Work. Seller, without delay, shall execute all applications as shall be required and shall otherwise cooperate with the Purchaser in connection with the applications, at no expense or obligation to the Seller.
- c.** Purchaser may terminate this Agreement in its sole, absolute and unfettered discretion prior to five o'clock (5:00) p.m. on the last day of the Due Diligence Period.
- d.** Purchaser, its agents and Purchaser's prospective assignees, shall provide Seller with proof of the following insurances prior to being provided access to the Property:

  - i.** Comprehensive General Liability policy (including insurance with respect to owned or operated motor vehicles which may be provided under a separate policy) as broad as the standard coverage form currently in use in the State of New Jersey, which shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall include an additional insured endorsement (broad form) for contractual liability. Limits of liability and property damage in the minimum amounts of one million (\$1,000,000.00) dollars per occurrence and three million

(\$3,000,000.00) dollars aggregate. Seller shall be named an additional insured on this policy;

ii. Worker's Compensation applicable to the Laws of the State of New Jersey and Employer's Liability Insurance with limits of not less than one hundred thousand (\$100,000.00) dollars per occurrence for bodily injury liability and one hundred thousand (\$100,000.00) dollars occupational disease per employee with an aggregate limit of five hundred thousand (\$500,000.00) dollars occupational disease;

**10. Conditions Precedent to Closing(s).**

a. Closing(s) are subject to and conditioned upon the following:

i. Execution of a Designated Redevelopment Agreement between Seller and Purchaser;

ii. If Purchaser will undertake a redevelopment project, provisions in the Designated Redevelopment Agreement in accordance with N.J.A.C. 19:31C-3.24(c)4, including, but not limited to, limiting the use of the property subject to Closing to the uses permitted pursuant to the Reuse Plan and FMERA's land use rules in N.J.A.C. 19:31C-3; requiring the commencement and completion of the project within a period of time that Seller and Purchaser fix as reasonable; and that any lease may provide that all improvements shall become the property of the Seller or Purchaser; and satisfaction of any conditions precedent relevant to the redevelopment project mutually agreed upon by Seller and Purchaser.

- iii.** If Purchaser will assign this Agreement with regard to the property subject to Closing, execution of a Redevelopment Agreement between Purchaser and the assignee in accordance with N.J.A.C. 19:31C-3.24(d) and an Assignment Agreement in accordance with Section 26 below;
- iv.** If Purchaser will sell the property subject to Closing, execution of a Redevelopment Agreement between Purchaser and each assignee in accordance with N.J.A.C. 19:31C-3.24(d) and the satisfaction of all conditions precedent to the End Purchaser Closing;
- v.** If Seller has received notice from any Person of any area of concern or Hazardous Substance on the property subject to Closing, receipt by Purchaser of a Final Remediation Document that demonstrates that the area of concern or Hazardous Substance at the property has been remediated in accordance with all applicable Environmental Laws, in accordance with Section 17(b) below;
- vi.** Seller shall have performed all covenants, agreements and conditions required by this Agreement to be performed by Seller prior to or as of the Closing and shall have cured all defaults;
- vii.** Purchaser has not terminated this Agreement in accordance with the terms set forth in this Agreement; and
- viii.** Seller has adopted a Reuse Plan Amendment allowing for the development of the project at the property subject to Closing as

contemplated in the Designated Redevelopment Agreement or Redevelopment Agreement, as applicable.

**b.** In addition to the conditions listed in 13(a) above, a Closing for property that includes the Environmental Carve-Out Parcel is subject to and conditioned upon the Army's issuance of the Subsequent FOST and FMERA's receipt of title to the Environmental Carve-Out Parcel from the Army.

**c.** The Seller and Purchaser mutually agree as follows concerning the Conditions Precedent to Closing(s):

**i.** Each Party shall use its best efforts to perform all conditions required by this Agreement diligently prior to or as of the Closing and each Party shall have cured any of its respective defaults prior to Closing or at Closing; and

**ii.** Either Party may waive the performance of a covenant or a condition by the other Party, or may waive the cure of the other Party's default at any time prior to Closing or at Closing, unless the covenant or condition is required by statute or regulation, including, but not limited to, FMERA's mandatory conceptual review pursuant to N.J.A.C. 19:31C-3.20(c) and FMERA's review under N.J.A.C. 19:31C-3.19(c)ii and -3.24(c)5 of any redevelopment project undertaken by Purchaser.

**11. Time and Place of Closing(s).**

**a.** Closing(s) shall take place within ninety (90) days of satisfaction of the Conditions Precedent to the Closing detailed in Section 10. Closing(s) will

be held at the offices of Purchaser or Seller, or such other place as may be mutually convenient to the Parties.

- b.** Seller shall deliver the following documents at each Closing in form and substance satisfactory to Purchaser and to Purchaser's Title Company:
  - i.** Quitclaim deed;
  - ii.** Affidavit of Title reasonably satisfactory to the Title Company;
  - iii.** Entity resolution;
  - iv.** Tax and utility bills, if any;
  - v.** Certificate of Compliance with Section 1445 of the Internal Revenue code (FIRPTA);
  - vi.** Bill of Sale for any Personalty;
  - vii.** IRS Form 1099;
  - viii.** A post-Closing adjustments letter whereby the Parties agree to readjust the pro-rations should any error or mistake be discovered within twelve (12) months of Closing; and
  - ix.** At the first Closing, Purchaser shall pay the Purchase Price to the Seller, and deliver a Title Closing Statement.

**12. Transfer of Ownership.**

At each Closing, the Seller shall transfer ownership of the property subject to Closing to the Purchaser via a properly executed quitclaim deed to Purchaser or Purchaser's

assignee(s). The quitclaim deed shall be in a form reasonably acceptable to Purchaser and the Title Company. The quitclaim deed shall be subject to all notices, CERCLA Covenants, covenants, access provisions, deed provisions and environmental protection provisions recorded upon the Property as set forth in the Army Quitclaim Deed attached at Exhibit A and the subsequent Army deed conveying the Environmental Carve-out Parcel, and any covenants and restrictions that must be recorded pursuant to the requirements of N.J.A.C. 19:31C-3.24.

**13. Personal Property and Fixtures.**

Many items of property become so attached to a building or other real property that they become a part of it. These items are called fixtures. They include such items as fireplaces, patios and built-in shelving. All personal property and fixtures are INCLUDED in this sale unless they are listed below as being EXCLUDED.

- a. The following fixtures are EXCLUDED from this sale: none.
- b. The following personal property is EXCLUDED from this sale: none.

All personal property and fixtures will be conveyed in as-is condition.

**14. Physical Condition of the Property.**

This Property is being sold “as is”. The Seller does not make any claims or promises about the condition or value of any of the Property included in this sale. The Purchaser has inspected the Property and relies on this inspection and any rights, if any, which may be provided for elsewhere in this Agreement. Further, Purchaser acknowledges that it has reviewed the FOST and understands that environmental hazards are present on the

Property, including but not limited to asbestos-containing materials and lead-based paint. Prior to commencement of the Work, and following completion of the Work, the Seller agrees to maintain the grounds but not the building and improvements on the Property.

**15. Acknowledgment and Covenants Regarding FOST.**

Purchaser and Seller agree and acknowledge that the Army is responsible for the environmental investigation and remediation of the Property, as required by applicable law. The Purchaser acknowledges that it has received the FOST. The Purchaser and Seller agree that to the extent that the notices, covenants, access provisions, deed provisions and environmental protection provisions concerning the Property found in the FOST are contained in the Army Quitclaim Deed, then such terms shall run with the land. Purchaser, its affiliates, assignees, corporate successors, heirs, devisees and personal representatives shall make no claim against the Seller, its successors and assigns, whether based upon strict liability, negligence or otherwise, concerning noise, environmental, land use, pollution, vibrations, or any similar problems, for any damage, direct or consequential, to any person or persons, or to property or otherwise, or for any other relief, which may arise from the condition of the Property or the fact that the Property is subject to the FOST and the Army Quitclaim Deed. This covenant shall survive all Closing(a) and/or termination of this Agreement and if the terms are included in the Army Quitclaim Deed, then such terms shall also run with the land and be binding upon the Purchaser and its successors and assigns.



**16. Risk of Loss.**

Seller shall have no obligation to repair, replace or demolish any portion of the Property that is damaged or destroyed prior to Closing(s). Seller and Purchaser agree that any damage or destruction to the Property shall not otherwise affect the rights and responsibilities under this Agreement, and that Purchaser shall not be entitled to any offset against the Purchase Price for any damage or destruction to the building, structures, fixtures or improvements located on, under or above the Property that might occur prior to Closing(s).

**17. Environmental Matters.**

a. Purchaser and Seller acknowledge that pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Army will retain responsibility for any Army caused environmental contamination (other than mold, asbestos containing materials, lead-based paint and commercially-applied pesticides and termiticides) that may be present on the Property as of the date of the Army Quitclaim Deed. The Parties acknowledge that the quitclaim deed between Seller and the Purchaser shall contain certain covenants required by CERCLA (the "CERCLA Covenants") which covenants are contained in the Army Quitclaim Deed.

The Seller shall not bear any responsibility or liability to the Purchaser or its successors or assigns for the presence of mold, asbestos containing materials, lead-based paint or commercially applied pesticides and termiticides on the Property or portion of property as of or after Closing for the property subject to the Closing.

After Closing, Purchaser shall be solely responsible for the proper disposal of any mold, asbestos containing materials, lead-based paint or commercially applied pesticides encountered during the renovation or demolition of the building and improvements on the property subject to the Closing.

**b.** If Seller receives notice from any Person at any time prior to Closing that any Discharge of a Hazardous Substance has occurred on the property subject to the Closing which has not already been documented in the FOST, then Seller shall provide Purchaser with notice of the Discharge within three (3) days of receiving notice. Seller shall advise Purchaser within ninety (90) days of receiving the notice of Discharge whether Seller or the Army or other responsible third party shall remediate such Discharge and obtain a Final Remediation Document. Notwithstanding anything in this Agreement, Seller shall not have any obligation to remediate the Discharge or to obtain a Final Remediation Document.

**c.** If Seller or the Army or the other responsible third party agree to remediate the property subject to Closing by delivering a Final Remediation Document and Seller or the Army or the other responsible third party subsequently fails to provide the Final Remediation Document prior to the date set for the Closing, then Purchaser may:

- i.** terminate this Agreement; or
- ii.** delay Closing to a date reasonably specified by Purchaser to allow sufficient time for Seller or the Army or the other responsible third party to obtain the Final Remediation Document.

**18. Termination of Agreement.**

a. If this Agreement is legally terminated for any reason, the Purchaser and the Seller shall be free of liability to each other, except any obligations that specifically survive termination of the Agreement including but not limited to the Mortgage set forth in Section 27 hereof.

b. Notwithstanding any other provision in this Agreement, this Agreement shall terminate ten (10) years after the Effective Date, except any obligations that specifically survive termination of the Agreement.

**19. Default by Seller.**

a. If Seller shall be unable or fail to convey the Property in accordance with the terms of this Agreement, then Purchaser shall have the right to terminate this Agreement and this Agreement shall be terminated and neither Party shall have any further rights or obligations hereunder, except for any rights or obligations that specifically survive the termination of this Agreement.

b. Purchaser acknowledges that the remedies set forth in this Section 19 are Purchaser's exclusive remedies in the event of any breach of or default under this Agreement by Seller or the inability or unwillingness of Seller to consummate the Closing(s) as provided in this Agreement. In no event shall Purchaser have any claim for any damages against Seller. The terms of this Section 19 shall survive the Closing(s) and/or any termination of this Agreement.

c. The Purchaser agrees that prior to declaring the Seller in default hereunder, Purchaser shall provide Seller with thirty (30) days advance written notice of such default and Seller shall have the right to cure such default within said thirty (30) day period.

**20. Default by Purchaser.**

a. The following occurrences shall be a default by Purchaser of the terms of this Agreement:

i. Failure of Purchaser to observe and perform any covenant, condition, representation, warranty or agreement hereunder, and continuance of such failure for a period of ninety (90) days (if such default cannot be reasonably cured within ninety (90) days, then such obligation to cure shall be extended for such time as is minimally necessary to undertake such cure), after receipt of written notice from the Seller specifying the nature of such failure and requesting that such failure be remedied.

b. If an occurrence of default by Purchaser occurs or Purchaser fails or refuses to consummate a Closing (where no default by Seller has occurred under the Agreement and all Conditions Precedent to the Closing have been satisfied), then Seller, as its sole and exclusive remedy, may terminate this Agreement by giving notice thereof to Purchaser. Upon any such termination, neither Party shall have any further rights nor obligations hereunder, except any rights or obligations that specifically survive the termination of this Agreement.

c. Seller agrees that prior to declaring the Purchaser in default, Seller shall provide Purchaser with ninety (90) days advance written notice of such default and Purchaser shall have the right to cure such default within ninety (90) of receipt of written notice of the default.

**21. Adjustments at Closing(s)/Assessments for Municipal Improvements.**

a. The Purchaser and Seller agree to adjust the following expenses as of the closing date(s): water charges and sewer charges, if any. The Purchaser or the Seller may require that any person with a valid claim or right affecting the property subject to Closing be paid from the proceeds of the sale.

b. Certain municipal improvements, including, but not limited to, sidewalks and sewers, may result in the Municipality charging property owners to pay for the improvement. All unpaid charges (assessments) against the Property for work completed before the date of a Closing will be paid by the Seller at or before Closing, unless such assessments resulted from action taken by the Municipality in connection with Purchaser's Approvals, then the Purchaser shall pay such assessments. If the improvement is not completed before the date of a Closing then only the Purchaser will be responsible. If the improvement is completed at or before a Closing, but the amount of the charge (assessment) has not been determined by the Municipality, the Seller will pay an estimated amount at Closing (unless such assessments resulted from action taken by the Municipality in connection with Purchaser's approvals, then the Purchaser shall pay such assessments). When the amount of the charge is finally determined by the Municipality, the Seller will pay

any deficiency to the Purchaser (if the estimate proves to have been too low), or the Purchaser will return any excess to the Seller (if the estimate proves to have been too high).

**22. Possession.**

At a Closing, the Purchaser will be given possession of the property subject to Closing but subject to the Army's right of access to the property pursuant to the Army Quitclaim Deeds. The delivery of the quitclaim deed for the property by Seller to Purchaser and possession of the property from Seller to Purchaser and the acceptance of possession of the property by Purchaser shall be deemed full performance by Seller of its obligations under this Agreement with regard to the property subject to Closing, except for any duties that expressly survive the Closing as provided herein.

**23. Liens.**

In the event that an objection to title consists of an unpaid lien of a defined amount attributable to Seller, Seller has the right to satisfy the lien at the Closing affected by the lien.

**24. Assignment of Permits and Approvals.**

a. Seller agrees to cooperate with Purchaser in obtaining any required FMERA signatures or consents in connection with Purchaser's efforts to obtain the any approvals for the Work and any future redevelopment project(s) on the Property and shall endeavor to obtain same from its Executive Director, within one week of

presentation; from the FMERA Real Estate Committee, within thirty (30) days from presentment; and from the FMERA board, within forty five (45) days of presentment, subject to the Governor's ten (10) day veto period. Where required by law, FMERA will sign as owner or applicant on applications made by the Purchaser. At a Closing Seller shall assign any permits or approvals related to the property subject to Closing to the Purchaser.

**b.** Seller shall join Purchaser in filing and recording a subdivision plat or plats in the County Clerk's office, which facilitates the dedication of streets, rights-of-way, and any easements, to the extent reasonably necessary, prior to a Closing provided that the cost and expense for same is paid solely by the Purchaser. Immediately prior to Closing, Purchaser shall post the necessary performance guarantees and inspection fees required to permit the filing of the subdivision plat with the County Clerk's Office.

**25. Parties Liable.**

This Agreement is binding upon the Parties and all who succeed to their rights and responsibilities.

**26. Assignment.**

**a.** Seller shall have the right to assign this Agreement without the consent of Purchaser to the State of New Jersey or any division thereof.

**b.** Purchaser shall have the right to assign this Agreement with regard to the Property or a portion thereof to a Redeveloper to undertake a redevelopment project thereon, provided that:

**i.** if applicable, the assignee is approved by the State of New Jersey's Department of the Treasury Chapter 51 Review Unit for compliance with the State of New Jersey's laws governing political contributions;

**ii.** the assignee provides the Seller with an unqualified and unconditional acceptance of the terms and conditions of this Agreement; the requirements concerning redevelopment in the FMERA Act and the land use rules in N.J.A.C. 19:31C-3, including, but not limited to, the execution of a Redevelopment Agreement between Purchaser and the Redeveloper; and the terms and conditions of an Assignment Agreement in form satisfactory to Seller, including, but not limited, provisions requiring indemnification of Seller, acceptance of the property subject to Closing in an "as is" condition, and subjecting all contract claims to the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq; and

**iii.** the Redeveloper and its project are approved by Seller in accordance with this Agreement, the FMERA Act, and the land use rules in N.J.A.C. 19:31C-3.

**c.** The Parties agree that if Seller authorizes an assignment in accordance with the terms herein with regard to the Property or a portion thereof, then Seller shall enforce this Agreement against the assignee for the property subject of the



assignment and Seller shall release Purchaser from any and all duties, obligations, claims and damages arising under this Agreement with regard to the property, provided that the requirements of **b.** above have been satisfied.

**27. Mortgage.**

**a.** Simultaneously with the execution of this Agreement, the Seller agrees to execute a Mortgage on the Property in favor of the Purchaser in the amount of the EDA Approved Budget. The Mortgage will be released by Purchaser proportionately upon each Closing and will remain on all other portions of the Property until the earlier of the following events: the entire Property is sold, EDA recovers its expenses under the EDA Approved Budget, or EDA forgives any remaining amount.

**28. Sharing of Net Proceeds from End Purchaser Closing(s).**

At End Purchaser Closing(s), Seller and Purchaser shall share net proceeds as follows:

**i.** to Purchaser, the prorated amount by acreage of the actual costs for the Work, improvements, environmental work, carrying costs, and any other costs made by Purchaser that benefit the property subject to the End Purchaser Closing;

**ii.** to Purchaser, an amount equal to a return of five percent (5%) of the total costs in **i.** above;

**iii.** to Seller, the prorated amount by acreage of the actual costs of marketing, property management, carrying costs, improvements, and any other costs made by Seller that benefit the property subject to the End Purchaser Closing; and

iv. to Seller and Purchaser, an equal amount of any remaining net proceeds.

The terms of this Section 28 shall survive all Closing(s) and/or any termination of this Agreement.

**29. Successors and Assigns.**

This Agreement shall inure to the benefit of and shall bind the Parties, their successors and assigns.

**30. Entire Agreement.**

It is understood and agreed that all understandings and agreements between the Parties regarding purchase, sale and conveyance of the Property are merged in this Agreement which alone fully and completely expresses their agreement. This Agreement replaces and supersedes any previous agreements between the Purchaser and the Seller regarding the purchase, sale and conveyance of the Property. This Agreement can only be changed by an agreement in writing signed by both Purchaser and Seller. The Seller states that the Seller has not made any other Agreement to sell the Property to anyone else.

**31. Governing Law.**

This Agreement shall be governed, interpreted, construed and enforced in accordance with, the laws of the State of New Jersey without respect to any principles of conflict of law, both as to interpretation and performance. Seller and Purchaser waive any statutory or common law presumption which would serve to have this document construed in favor and against either Party as the drafter.

**32. Partial Invalidity.**

If any term or provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by Law.

**33. Headings.**

The headings of the various Sections and Exhibits of this Agreement have been inserted only for the purposes of convenience, and are not part of this Agreement and shall not be deemed in any manner to modify, explain or restrict any of the provisions of this Agreement.

**34. No Partnership or Joint Venture.**

Nothing contained in this Agreement will make or will be construed to make the Parties hereto joint venture partners with each other, it being understood and agreed that the only relationship between Purchaser and Seller hereunder is that of seller and purchaser. Nor should anything in this Agreement render or be construed to render either of the Parties hereto liable to the other for any third-party debts or obligations due the other Party.

**35. No Third-Party Rights or Benefits.**

Nothing in this Agreement shall be construed as creating any rights of enforcement against any person or entity that is not a party to this Agreement, nor any rights, interest or third-party beneficiary status for any entity or person other than Purchaser and Seller. This Agreement is not an obligation of the State of New Jersey or any political subdivision thereof (other than FMERA or EDA) nor shall the State or any political subdivision thereof (other than FMERA or EDA) be liable for any of the obligations under this Agreement. Nothing contained in this Agreement shall be deemed to pledge the general credit or taxing power of the state or any political subdivision thereof (other than FMERA or EDA).

**36. No Waiver.**

No delay or failure on the part of any Party hereto in exercising any right, power or privilege under this Agreement or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against any Party hereto unless made in writing and signed by the Party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

**37. Time Periods.**

All time periods contained in this Agreement shall expire at five o'clock (5:00) p.m. Eastern Time on the date performance is due and any performance after such time and any Notice received after such time shall be deemed to have occurred on the next business day. In the event that any date falls on a weekend or any other day which commercial banks in the State of New Jersey are closed or permitted to be closed, the date shall be deemed to extend to the next weekday.

**38. Publication / Marketing.**

Purchaser and Seller agree:

- a. to consult with and cooperate with each other on the content and timing of all press releases and other public announcements relating to the transactions contemplated by this Agreement;
- b. that Purchaser and Seller shall not issue any announcement or statement without the express written approval the other Party as to the text of the announcement; and
- c. to collectively market the Property directly and/or through its consultants.

**39. Recording or Notice of Pendency.**

- a. Purchaser shall not record nor attempt to record this Agreement; however, Purchaser may record the following:
  - i. a memorandum or "short form" of this Agreement;
  - ii. a Notice of Settlement;

**iii. The Mortgage; or**

**iv.** other reporting requirements under the Federal Securities Laws or other securities laws applicable to the Purchaser, provided that the documents that Purchaser proposes to record are provided to the Seller for review and approval, which shall not be unreasonably delayed or withheld, prior to recording.

**b.** In the event Purchaser records this Agreement, without having obtained the prior written consent of Seller thereto, then Purchaser shall be deemed in material incurable default under this Agreement and Seller shall be authorized without any notice whatsoever to terminate this Agreement. This Section 39 shall survive the termination of the Agreement.

**40. Authority Representations of Purchaser and Seller.**

Purchaser and Seller hereby represent to each other on and as of the date of this Agreement and on and as of the transfer(s) provided for herein, that each have full capacity, right, power and authority to execute, deliver and perform this Agreement, and all required action and approvals therefore have been duly taken and obtained. The individual(s) signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Seller and Purchaser shall be duly authorized to sign the same on Purchaser's and Seller's behalf and to bind Seller and Purchaser thereto. This Agreement and all documents to be executed pursuant to Seller and Purchaser are and shall be binding upon and enforceable against Seller and Purchaser in accordance with their respective terms. The execution and delivery of this Agreement and the consummation of the transactions

contemplated hereby will not violate any judgment, order, injunction, decree, regulations or ruling of any court or governmental authority, or conflict with, result in a breach of, or constitute a default under any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material agreement or instrument to which Purchase or Seller is bound.

**41. Lis Pendens.**

Unless Seller defaults, Purchaser hereby waives any right or privilege to place a lis pendens upon the Property or any property owned or controlled by FMERA and, accordingly, notwithstanding anything contained herein to the contrary, Purchaser shall be liable for all damages, including, but not limited to Seller's costs of removing the lis pendens for Purchaser's failure to comply with the terms hereof. This Section shall survive the termination of this Agreement.

**42. Political Campaign Contributions.**

The Parties agree that Purchaser is not subject to the Chapter 51/EO117 certification requirements. Therefore, the Parties acknowledge that the terms, restrictions, requirements and prohibitions set forth in P.L. 2005 c. 51 are not applicable to the instant transaction.

**43. Notices.**

Any notices required to be given under this Agreement must be in writing and shall be addressed as follows:

To: Fort Monmouth Economic Revitalization Authority  
502 Brewer Avenue

Oceanport, New Jersey 07757  
Attention: Bruce Steadman, Executive Director

And to: New Jersey Economic Development Authority  
Real Estate Division  
36 West State Street, PO Box 990  
Trenton, New Jersey 08625-0990  
Attention: Donna T. Sullivan, Vice President

**a.** All notices which must be given under this Agreement are to be given either by:

- i.** personal service,
- ii.** certified mail, return receipt requested, addressed to the other Party at their address specified above, or
- iii.** overnight delivery service, addressed to the other Party at their address specified above (e.g. Federal Express, United Parcel Service, DHL, United State Postal Service Next Day Mail).

**b.** Either Party may change the address to which notice must be provided pursuant to this Agreement by providing notice, in accordance with this provision, to the other Party at that Party's last-identified address, provided that such change of address shall not take effect until five (5) days following the date of such notice.

**c.** Each Party authorizes the other to rely in connection with their respective rights and obligations under this Agreement upon approval by the Parties named above or any person designated in substitution or addition hereto by notice, in writing, to the Party so relying.



**44. Brokerage Commissions.**

Seller and Purchaser represent to each other that neither has had dealings with any broker, salesperson or agent in connection with the sale of the Property. In no event shall Seller be responsible for any commission to a broker arising from this transaction. The provisions of this Section shall survive the Closing(s) and/or any termination of this Agreement.

**45. Counterparts.**

This Agreement may be simultaneously executed in several counterparts, or with counterpart signature pages, and may be delivered by facsimile or electronic mail, it being understood that all such counterparts or counterpart signature pages, taken together, shall constitute one and the same instrument.

**46. Exhibits.**

By execution of this Agreement, Purchaser acknowledges receipt of all Exhibits described in this Agreement, which have been delivered previously to Purchaser in a package separate from this Agreement.

**47. Recitals.**

The Recitals are incorporated herein as if restated at length.

**48. Right of Entry.**

- a. Provided that Purchaser has not terminated this Agreement or is in default hereunder, at any time subsequent to Purchaser's completion of Due Diligence,

Purchaser may request that Seller grant Purchaser a license to use and enter the Property prior to the first Closing for the purposes of initiating and completing the Work. The license will be for one (\$1.00) dollar and will be on an absolutely triple net basis.

**b.** The Parties agree that the license for right of entry is not intended and will not create a leasehold interest in the Property, and that Purchaser will be precluded from sub-licensing or sub-leasing the Property during the license term, except to its demolition consultants and contractors. The license will terminate upon the first Closing or earlier termination of this Agreement.

**c.** Except as otherwise provided in Section 27, Seller will not, under any circumstance, reimburse the Purchaser for undertaking any improvements to the Property and Seller will own any fixtures that the Purchaser installs until title closing occurs.

**d.** Purchaser agrees that any work undertaken by Purchaser and its consultants and/or contractors will comply with all applicable permits, approvals, ordinances, statutes, regulations, building codes and other applicable laws, including but not limited to prevailing wage obligations.

**e.** Purchaser acknowledges that it has reviewed the FOST and understands that environmental hazards are present on the Property, including but not limited to asbestos-containing materials and lead-based paint. Purchaser covenants and agrees to, at all times, carry adequate insurance to safeguard FMERA from and against all cost or expense resulting from any and all losses, damages, detriments,

suits, claims, demands, costs and charges, which FMERA may directly or indirectly suffer, sustain or be subject to by reason or on account of Seller's entry upon the Premises or the conduct of any activities by Purchaser, its contractors, subcontractors, agents, officers, employees or invitees. In addition, Purchaser shall require its respective contractors, consultants, agents, and representatives to defend, indemnify, and hold harmless FMERA 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 the Property.

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

**g.** Purchaser agrees that it:

**i.** will not create any condition during its use and occupancy of the Property, which violates any municipal, state or other regulatory agency or is dangerous.

**ii.** will not permit the creation of any liens affecting the Property during the pendency of this Agreement and shall promptly pay and discharge any claims or liabilities which may become a lien against the Premises.

**iii.** will maintain in force and effect, insurance for liability and property damage in the minimum amounts of one million (\$1,000,000.00) dollars per occurrence and three million (\$3,000,000.00) dollar aggregate naming the

FMERA as an additional insured and provide proof of same to the FMERA prior to entry on the Property.

**49. Utilities and Easements.**

a. In connection with the ultimate redevelopment project(s) at the Property, Purchaser and/or its assignees, successors, and/or End Purchaser(s) shall be responsible for replacement, repair, maintenance and/or relocation of all utilities within the Property, subject to Seller's review and approval, which approval shall not be unreasonably withheld.

b. Purchaser and/or its assignees, successors, and/or End Purchaser(s) are responsible for establishing service connections and accounts with Jersey Central Power & Light Company, New Jersey American Water Company, the Tinton Falls Sewerage Authority and New Jersey Natural Gas Company, or any other utility provider for Purchaser's or any End Purchaser's intended use.

**50. Cooperation.**

Purchaser and Seller agree to cooperate with each other and to that end agree, when necessary, to consent to the filing of applications and to execute other documents, declarations and or maps required to be signed by either of the Parties and returned within seven (7) calendar days of delivery to the other Party. This time period is deemed to be a reasonable opportunity to review any document required in connection with this Agreement. The Parties will otherwise cooperate with, assist and support each other in connection with any application for approvals.

**WHEREFORE** the Seller and Purchaser have signed this Agreement as of the date first written above.

ATTEST:

FORT MONMOUTH ECONOMIC  
REVITALIZATION AUTHORITY,  
Seller

\_\_\_\_\_

By: \_\_\_\_\_  
Bruce Steadman  
Executive Director

ATTEST:

NEW JERSEY ECONOMIC  
DEVELOPMENT AUTHORITY,  
Purchaser

\_\_\_\_\_  
Donna T. Sullivan  
Vice President, Real Estate Division

By: \_\_\_\_\_  
Maureen Hassett, SVP  
Governance, Communications &  
Strategic Initiatives

**Parcel F-1 Purchase**

<b>Uses of Funds</b>	<b>Budget Request</b>
<b>Acquisition &amp; Demolition</b>	
Land Purchase	\$1
Engineering and Survey Services	\$721,700
Advertising and Miscellaneous	\$5,000
Homeless Trust Fund	\$728,570
Demolition and Restoration Services	\$5,669,400
Title Searches & Policy	\$15,000
Permits and Approvals	\$50,000
Environmental Due Diligence	\$117,000
Other Project Contingency	\$22,100
<b>Subtotal Acquisition &amp; Demolition</b>	<b>\$7,328,771</b>





NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 14, 2017

**RE:** Award of Abatement, Demolition and Site Improvements Contract  
Former Myer Center, Fort Monmouth, Monmouth County, NJ

**Summary**

The Members are asked to approve the award of an abatement, demolition and site improvements services (“Demolition Services”) contract to Tricon Enterprises, Inc. (“Tricon”) of Keyport, NJ for the Demolition Services related to the Former Myer Center, Buildings 2700 and 2705, located in Tinton Falls, NJ on a portion of the former Fort Monmouth in Monmouth County, NJ.

**Background**

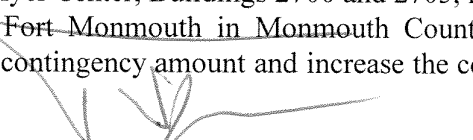
The Real Estate Division publicly advertised and received nine (9) bids for the demolition of the Former Myer Center, Buildings 2700 and 2705, located in Tinton Falls, NJ, which were publicly opened on July 28, 2017. The Base Bid Totals ranged from \$5,154,000 to \$13,171,976 as listed on the attached chart. The Base Bid and Add Alternate Totals ranged from \$6,150,000 to \$15,782,728 as listed on the attached chart. In both cases of Bid Totals as summarized above, Tricon submitted the lowest responsible bid.

Final approval of the selection of Tricon will be subject to their satisfaction of the compliance documentation and bid requirements. In the alternative, if Tricon is found to be non-compliant, approval is requested to enter into a contract with the next lowest responsible bidder, subject to satisfaction of the compliance documentation and requirements, as listed on the attached chart.

Based on the Base Bid Total, approval is requested to establish a Contract budget of \$5,669,400 which includes a 10% contingency in the amount of \$515,400.

**Recommendation**

In summary, the Members’ approval is requested to award a demolition services contract to Tricon Enterprises, Inc. of Keyport, NJ for a Base Bid Lump Sum contract amount of \$5,154,000 for the Demolition Services related to the Former Myer Center, Buildings 2700 and 2705, located in Tinton Falls, NJ on a portion of the former Fort Monmouth in Monmouth County, NJ. Approval is also requested to establish a \$515,400 contingency amount and increase the contract up to this amount, if required.

  
\_\_\_\_\_  
Timothy J. Lizura  
President and Chief Operating Officer

Attachment

Prepared by: Thomas P. Catapano

MAILING ADDRESS | PO Box 990 | TRENTON, NJ 08625-0990

SHIPPING ADDRESS | 36 WEST STATE STREET | TRENTON, NJ 08625 | 609.858.6700 | E-Mail: njeda@njeda.com | www.njeda.com



Myer Center, Fort Monmouth, NJ  
 2017-RED-CON-067  
 Bid Opening

#	Name of Firm	BASE BID - DEMOLITION OF BUILDING NO.'S 2700 AND 2705 AND ASSOCIATED SITE IMPROVEMENTS - TOTAL BID PRICE FIGURES	ALL ALTERNATE - DEMOLITION OF ALL OTHER SITE FEATURES AND ASSOCIATES SITE IMPROVEMENTS - TOTAL BID PRICE FIGURES	TOTAL
1	Tricon Enterprises, Inc.	\$5,154,000.00	\$996,000.00	\$6,150,000.00
2	Neuber Environmental Services, Inc.	\$6,249,320.00	\$1,500,000.00	\$7,749,320.00
3	Total Wrecking & Environmental, LLC	\$7,448,420.00	\$942,000.00	\$8,390,420.00
4	HighGround Industrial LLC	\$8,644,000.00	\$1,254,000.00	\$9,898,000.00
5	WildHeart Industries	\$8,448,000.00	\$1,788,000.00	\$10,236,000.00
6	NorthStar Contracting Group, Inc.	\$8,887,097.00	\$1,667,097.00	\$10,554,194.00
7	Yannuzi Group, Inc.	\$7,600,000.00	\$3,100,000.00	\$10,700,000.00
8	Two Brothers Contracting Inc	\$10,442,333.00	\$311,300.00	\$10,753,633.00
9	Carbo Construction Corp.	\$13,171,976.00	\$2,610,752.00	\$15,782,728.00



**MEMORANDUM**

**TO:** Members of the Authority

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

**RE:** Property and Facilities Management Services

**DATE:** September 14, 2017

**Summary**

The Members are asked to approve the authorization to enter into a contract with ISS Facility Services, Inc. of Mount Laurel, New Jersey for property and facilities management services for the following sites: (i) Technology Centre of New Jersey (“TCNJ”), North Brunswick; (ii) NJEDA Headquarters, Trenton; and (iii) additional properties throughout the State which are owned, leased, managed and/or operated by the Authority.

**Background**

The Real Estate Division publicly advertised a Request for Qualifications and Proposals (“RFQ/P”) for the referenced services on behalf of the Authority. The current contract for these services expired in March 2017 and the Authority has been receiving the referenced services through month-to-month extensions with the current provider, ISS Facility Services, Inc. (“ISS Facility Services”).

A site tour of the TCNJ was held on August 3, 2017 and was attended by three firms. A site tour of NJEDA Headquarters was held on August 4, 2017 and was attended by five firms.

There were two (2) respondents to the RFQ/P solicitation. Proposals were submitted by: ISS Facility Services of Mount Laurel, New Jersey and New Vista Corporation (“New Vista”) of Northfield, New Jersey.

The proposals were independently evaluated and ranked by an Evaluation Committee comprised of NJEDA staff. Through this comprehensive evaluation and scoring analysis (scoring matrix attached), ISS Facility Services received the highest ranking based on the firm’s qualifications, experience, price and other factors as outlined in the RFQ/P.

-2-

The fee pricing portion of the evaluation for these services was limited to:

(i) the fully loaded monthly rates for the following:

- (a) Property/Facilities Management Fees;
- (b) Site Superintendent Fees;
- (c) Facility/Property Manager Fees; and
- (d) Janitorial Services; and

(ii) annual escalation.

The fee proposal submitted by ISS Facility Services reflected total fees over the potential five-year term of \$2,844,690.50. New Vista's fees over the same five-year period were \$5,796,879.58. The fees requested as part of the RFQ/P did not include the anticipated costs of subcontractors, which will be paid as a direct expense.

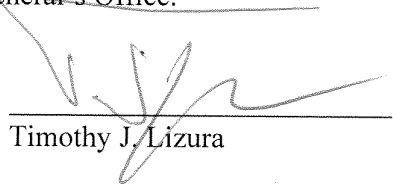
Based on a complete analysis of the proposals, it is recommended that the Authority contract for property and facilities management services for a term of three (3) years with an additional two (2) year renewal term option at the Authority's sole discretion.

The contracts will also allow ISS Facility Services to provide property and facilities management services on all EDA-owned properties, as well as, other sites should the Authority acquire, lease, operate or manage additional sites throughout New Jersey during the term of the contracts, or any extension periods.

The Authority's standard form of contract or purchase order will be entered into by the Authority for each site. Final terms of each contract will be subject to the approval of the Chief Executive Officer, President/COO and the Attorney General's Office.

**Recommendation**

In summary, the Members' approval is requested for the Authority to enter into contracts with the highest ranked firm, ISS Facility Services, for property and facilities management services at the above referenced sites, subject to receipt of compliance documentation, for a term of three (3) years with an additional two (2) year renewal term option, on terms acceptable to the Chief Executive Officer, President/COO and the Attorney General's Office.

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

Attachment

Prepared by: Vince Wardle

**PROJECT:** 2017-RED-RFQ/P-PM059  
**SERVICES:** Property and Facility Management Services  
**DATE:** 30-Aug-17  
**EVALUATION COMMITTEE CUMULATIVE** CUMULATIVE-3 Members

Name of Firm	City and State	Demonstrated Experience (15 POINTS MAX)	Approach and Plans (20 POINTS MAX)	Qualification and Experience of Management and Staff (25 POINTS MAX)	Qualifications using Property Site Management and Building Maintenance System Software (10 POINTS MAX)	Fee Proposals (30 POINTS MAX)	Total Score	Ranking
		15	20	25	10	30	100	
ISS Facility Services, Inc.	Mount Laurel, NJ	11	13	17	9	30	80	1
New Vista Corporation	Northfield, NJ	8	9	14	7	6	44	2

PROPOSALS MUST BE SCORED USING A ZERO (0) TO NUMBER OF MAXIMUM POINTS FOR EACH EVALUATION CRITERIA AS INDICATED ABOVE.

**BOARD MEMORANDUM**



**MEMORANDUM**

To: Members of the Board

From: Timothy J. Lizura  
President and Chief Operating Officer

Date: September 14, 2017

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

As the Members are aware, from time to time board items are presented for consideration in Executive Session when it is determined that discussion in public session could adversely impact the public interest and the topic of discussion qualifies for exemption under the NJ Open Public Meetings Act.

In compliance with the Act, the Board adopts a resolution at its public meeting indicating matters to be discussed in Executive Session and when these items will be disclosed to the public.

It is the practice of the Authority to publicly release details of items considered in Executive Session on an annual basis. Some items remain confidential or unresolved and therefore cannot be made public at this time; however, after a review by staff, the following items have been resolved and are attached for the Board's information.

Staff will continue to review executive session items on an annual basis and present an update to the Board at its annual meeting each September listing these matters. As is the current practice, if a request is made for information on an Executive Session item in the interim, staff, in consultation with the Attorney General's Office, will review the request to determine if the item can be made public at that time.

A handwritten signature in black ink, appearing to read 'Timothy J. Lizura', is written over a solid horizontal line. The signature is fluid and cursive, with a long horizontal stroke at the end.

Attachment

Prepared by: Patience Purdy

## RESOLVED EXECUTIVE SESSION ITEMS

The following were discussed and/or approved in executive session:

<b>Items Approved in Executive Session</b>			
<b>Date of Action</b>	<b>Item</b>	<b>Description</b>	<b>Resolution</b>
Mar-11	Greystone Hospital Budget Increase	Request for budget increase of \$200,000	Temporary increase of \$40,000
Apr-11	American Reinvestment Recovery Act Combined Heat and Power Program Appeal	Review of denial appeal from applicant	Uphold hearing officer recommendation
Apr-11	Greystone Hospital Budget Increase	Request for budget increase of \$30,000	Approved
Oct-11	Greystone Hospital/Selection of Litigation Consultant	Discussion surrounding proposals from JCMS and Urban Engineers	Approve the selection of JCMS and execute contract
May-12	Greystone Hospital Litigation Update	Discussion update on litigation	Discussion only
Oct-12	Greystone Hospital Litigation Update	Discussion update on litigation	Discussion only
Nov-12	Technology Business Tax Cert Transfer Program Appeals	Discussion of appeals	Discussion only
Feb-13	Greystone Hospital	Authorize settlement for \$0, execution of all docs required for transaction.	Approved
Nov-13	AC Beach Development Partners	Consent to a 6-month payment moratorium.	Approved
Apr-14	Greystone Hospital	Increase to litigation budget and litigation consultant contract	Approved
Apr-14	AC Beach Development Partners	Consent to a 3-month payment moratorium.	Approved
Oct-14	Amendment to Ground Lease with SPF/Camden	Extend the term of ground lease	Approved
Feb-15	Greystone Hospital	Increase to litigation budget and litigation consultant contract	Approved
Apr-15	Greystone Hospital	Litigation settlement	Discussion only
Jun-15	Greystone Hospital	Litigation settlement	Approved
Jun-15	Camden Waterfront Development	Sale of Steiner + Assoc. interest in Camden Town Center	Approved

Nov-15	FINRA Arbitration Settlement/UBS	Approve items necessary to implement settlement	Approved
May-16	FINRA Arbitration Settlement/Goldman Sachs, Morgan Stanley/Citigroup	Approve items necessary to implement settlement	Approved
Jun-16	AC Beach Development Partners	10-year loan restructure	Approved
Jun-16	FINRA Arbitration Settlement/Goldman Sachs, Morgan Stanley/Citigroup	Approve items necessary to implement settlement	Approved
Aug-16	American Dream	Status Update	Discussion only
Aug-16	Marine Terminal Urban Renewal Assoc.	Reporting of \$1,446,689 loan written off with recourse in response to payment default.	Discussion only
Nov-16	Marine Terminal Urban Renewal Assoc.	Settlement of direct loan for \$667,500	Approved
Jun-17	AC Beach Development Partners	Release of mortgage for payment of \$100,000	Approved





**MEMORANDUM**

**TO:** Members of the Authority

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

**DATE:** September 14, 2017

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

The following projects were approved under Delegated Authority in August 2017:

**Premier Lender Program:**

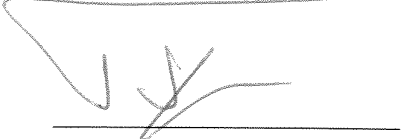
- 1) Tyten 1 LLC (P44292), located in Clifton City, Passaic County, is the real estate holding company formed to purchase the project property. The operating company, Trans Ed Inc. specializes in student transportation needs for public, private and parochial schools as well as transportation for sporting events, summer camps, daycare, weddings and private events. M&T Bank approved a \$1,463,000 loan with a 47.71% (\$698,000) Authority participation. Proceeds will be used to purchase the project property to relocate the business from Paterson. Currently, the Company has 112 employees and plans to create 12 new jobs within the next two years. SSBCI funds were utilized for this project.

**Small Business Fund Program:**

- 1) ICCG Properties LLC (P44384), located in Voorhees Township, Camden County, is a full-service facility support maintenance provider for the industrial, commercial and institutional markets. Industrial/Commercial Cleaning Group, Inc. (“ICCG”) provides industrial and commercial cleaning, institutional cleaning, power washing, window washing and grounds maintenance. The Company was approved for a \$215,000 direct loan to purchase the project property to relocate its office to Voorhees. ICCG also maintains an office in Philadelphia to service the greater Philadelphia market. The Company currently has 31 employees and plans to create 10 additional positions over the next two years.

**Stronger NJ Business Loan Program:**

- 1) Bowker's South Beach Grill, LLC (P43882 & P44439), located in Long Beach Township, Ocean County, is a deli that operates on a seasonal basis and open for business from the middle of March until the beginning of November. The Company was approved for a \$413,073 construction loan and an \$80,000 working capital loan.
- 2) Ritu Berry LLC (P44223), located in Edgewater Borough, Bergen County, is a Limited Liability Company which has operated a Subway Restaurant in Elmwood Park since 2007. The Company was approved for a \$200,000 working capital loan.

A handwritten signature in black ink, appearing to be 'G. Robins', is written over a horizontal line. The signature is stylized and somewhat cursive.

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