Office of Legislative Services
Discussion Points
FY 2013

1. Urban Transit Hub Tax Credit Program

• Questions: Please share the findings of the February 2012 EDA analysis of spare capacity for additional urban transit hub tax credits relative to the $1.5 billion lifetime program cap. What amount is still available for business facility, residential, and offshore wind energy facility projects as well as Grow New Jersey tax credits? Has the EDA already turned away credit applicants because of the limited supply of unused tax credits? Has the EDA been in negotiations with any acute care medical facility concerning a tax credit award? Does the EDA have the authority to reallocate any portion of the $100 million set-aside for offshore wind energy facilities that may be unused by the program’s January 2013 application filing deadline?

• Given that the EDA certified the first urban transit hub tax credit award in February 2012, please provide an estimate of the budgetary impact of urban transit hub tax credits in each of the next five years, indicating for each approved project the anticipated date of completion and the first year of budgetary impact.

On February 14, 2012, a report on Urban Transit Hub Tax Credit (UTHTC) Program activity and program recommendations was presented to the EDA Board for review and approval. The recommendations included continuing to review the demand for commercial projects, as well as Offshore Wind projects and Grow New Jersey Assistance (Grow NJ) projects over the next six (6) months, maintaining the $250 million cap for residential projects and utilizing the $30 million remaining under the residential cap to address amendments to existing approved projects.

There are several residential projects that were approved for the 20 percent credit and submitted applications and/or discussed amendments with staff to obtain additional credits. To date, five (5) residential projects received amended approvals by the Board, due to expanded project costs and unavailability of other capital resources, under the new 35 percent provision.

In terms of the pipeline for commercial projects, EDA staff has reviewed the current list of commercial projects awaiting approval (or pipeline), and anticipates approximately $100 million in upcoming project applications.

The EDA has had discussions with acute care medical facilities regarding application for credits under the UTHTC program however, no applications have been submitted. The EDA is reviewing how to “reallocate” any portion of the $100 million set-aside for offshore wind energy facilities before the program’s January 2013 application filing deadline. Once the program ends in January 2013, any unapproved credits could then be reallocated to either the residential portion of the UTHTC program (which expires in July 2014) or the Grow NJ program (which also expires in July 2014).

Finally, in terms of budgetary impact of urban transit hub tax credits in the next five years, the UTHTC is not a monetary grant requiring appropriation, but rather tax credits which cannot exceed $150 million in any year. While the credits may directly impact the budget via reduced revenues from corporate business tax collection, they would be offset by increases in overall
revenue from the economic growth attributable to the program. The estimate of the annual redemption of the credits is unknown due to the flexibility of when credits can be used (carry forward provision of up to 20 years) and whether the credits are used by the urban transit hub tax credit recipient or whether they are transferred to another entity as provided for under the Act.

2. Urban Transit Hub Tax Credit Program – Prudential Financial, Inc.

- **Questions:** Please provide a status update on the $250.1 million urban transit hub tax credit award to Prudential Financial Inc. Has the EDA received a revised credit application from Prudential for the construction of a new office tower in a Newark location that is different from the one for which the EDA originally approved the tax credit? Will the changed project parameters trigger a new net benefit calculation and potential changes to the tax credit amount? Has the State already exercised the authority granted in section 9 of P.L.2011, c.149 to sell certain Newark properties to the New Jersey Performing Arts Center in support of the original Prudential project? If not, by which date does the EDA expect the property sales to occur?

The EDA has received a revised UTHTC application from Prudential Financial, Inc. which is currently under review by the EDA’s Credit and Real Estate Underwriting Department. The Company has requested a change of project address to 635-677 Broad Street (the site also encompasses 2-22 West Park Street, 68-74 Halsey Street and 28-38 New Street) as there are nineteen separate parcels which specifically make up tax block 51 and includes 23 lots. Staff is reviewing the information provided in the amended application to determine if the site location and financial structure requires a new net benefit test or amended credit amount. Finally, the EDA has not exercised the authority granted in section 9 of P.L. 2011, c.149 to sell certain Newark properties to the New Jersey Performing Arts Center.

3. Urban Transit Hub Tax Credit Program – Residential

- **Questions:** Please confirm that the EDA raised the urban transit hub tax credit retroactively for some residential projects already under construction from 20 percent of eligible capital spending to 35 percent. What statutory authority did the EDA rely upon when increasing the awards? For what reason(s) did the EDA increase the tax credit awards? Are the larger awards leveraging additional investments? Were the projects in danger of not being completed as planned absent the higher credit amounts? What is the fiscal benefit to the State of granting additional tax credit increments to residential projects already underway? Please identify the projects benefiting from higher credit awards.

Pursuant to P.L. 2011, c.89, the EDA adopted amendments to the rules implementing the Urban Transit Hub Tax Credit (UTHTC) Program which, among other changes, clarified that the benefit of increased tax credits may be extended to applicants for up to 35 percent of its capital investment in a qualified residential project; and that developers that previously applied for the 20 percent credit of their capital investment in a qualified residential project may amend their application provided the project meets the statutory criteria that it is likely to be realized with the provision of tax credits at the level requested, but is not likely to be accomplished by private enterprise without the tax credits.
Each of the projects brought back to the EDA Board were underwritten again against our program guidelines and each project demonstrated that without the additional support, the project would not be able to advance. Further, some of the projects had not advanced towards financing even with the prior approved award due to the financial realities of development in today’s economy. These financing realities caused the developers to restructure their projects, in some instances reducing scope and in others moving from for sale to rental developments. These changes along with the legislatively-mandated revisions to UTHTC awards increase the likelihood of these challenging development projects to advance and be successful.

As a result, five (5) previously approved UTHTC projects were presented back to the EDA Board for re-approval, as follows: Transit Village Associates, LLC (New Brunswick), RRB-TRB Newark Holdings, LLC (Newark), Pennrose Properties, LLC (Carl Miller Homes) (Trenton), Boraie Development, LLC or Nominee (New Brunswick) and 36-54 Rector Street, LLC (Newark).

4. Grow New Jersey Assistance Program

**Questions:** Please provide a status update on the Grow New Jersey Assistance Program. Is the program operational and does the EDA already accept applications? If not, please specify the date by which the EDA anticipates the program to be active. If the program is already operational, please share a list of credit awards the EDA has approved. Given that P.L.2011, c.149 authorizes the EDA to waive the material factor requirement for businesses that are required to respond to requests for proposal and to fulfill a contract with the federal government and that submit a tax credit application by March 31, 2012, please indicate which businesses have submitted a tax credit application under this provision and whether the EDA has awarded tax credits to the businesses.

The Grow New Jersey Assistance (Grow NJ) Program is operational and accepting applications. At this time, the EDA has received applications from six (6) businesses and approved four (4) at its’ Board meeting on April 10, 2012, as follows:

<table>
<thead>
<tr>
<th>Project</th>
<th>Award Amount</th>
<th>Term</th>
<th>Eligible Capital Investment</th>
<th>New Jobs</th>
<th>Retained At Risk Jobs</th>
<th>Construction Jobs</th>
<th>Net Benefit to State</th>
<th>Project Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teva Pharmaceuticals USA, Inc.</td>
<td>$15,050,000</td>
<td>10</td>
<td>$73,138,931</td>
<td>215</td>
<td></td>
<td>599</td>
<td>$62,700,000</td>
<td>Examining location options for a new 140,000 sq. ft. state-of-the-art R&amp;D facility. Morris County, NJ or Bucks County, PA.</td>
</tr>
<tr>
<td>Ascena Retail Group and Dress Barn Inc.</td>
<td>$32,400,000</td>
<td>10</td>
<td>$38,475,000</td>
<td>405</td>
<td></td>
<td>274</td>
<td>$118,900,000</td>
<td>Considering plans to move its existing combined corporate hq's from Suffern, NY to a 129,000 sq. ft. facility. Mahwah, NJ or Pearl River, NY.</td>
</tr>
<tr>
<td>Royal Wine Corporation, Kenover Marketing Corporation, and affiliates</td>
<td>$22,890,000</td>
<td>10</td>
<td>$33,750,000</td>
<td>143</td>
<td>184</td>
<td>168</td>
<td>$93,700,000</td>
<td>Proposed project involves combining operations of Royal Wine Corp. and Kenover Marketing into one campus. New complex would include existing facility in Bayonne and construction of a new 210,000 sq. ft. warehouse and distribution facility. Also considering Ulster County, NY if Bayonne project is not economically feasible.</td>
</tr>
</tbody>
</table>
In terms of the provisions of P.L. 2011, c.149 pertaining to businesses that are required to respond to requests for proposal and to fulfill a contract with the federal government, the EDA has received one (1) application from Lockheed Martin Corporation that has been approved (see above).

5. Business Employment Incentive Program

- **Questions:** Please provide an update on the backlog of BEIP grant payment obligations. What is the current backlog of BEIP payment obligations? Have all FY 2008, 2009, 2010, and 2011 obligations been paid? How many months does a business have to wait for receipt of a BEIP grant payment after the EDA has approved the first grant payment? What amount of new BEIP grants does the EDA expect to approve in FY 2012? Does the $350 million available for BEIP grants in FY 2012 and FY 2013 suffice to meet the demand for grant payments in those years? Has the review of annual reports submitted by BEIP grant-receiving businesses been successfully automated? If so, to what extent did the automation shorten the payment backlog?

The current backlog of BEIP payment requests is $439 million (2008-2010) plus approximately $233 million due for the current calendar year (2011) which combined totals approximately $672 million. In terms of the waiting period for a business to receive grant payments following EDA approval, the timing of payments varies depending on the size of the grant, as well as completeness/correctness of reports submitted by the business. The average wait time for payment of grants is two (2) years however, if there are issues, particularly litigation matters to be resolved, wait times can be longer.

In 2012, the EDA anticipates approving approximately seventy five (75) new projects. The $350 million available for BEIP grants in FY 2012 and FY 2013 will pay grant amounts for prior 2009 obligations and future appropriations, contingent upon legislative authorization, will pay for the remainder of obligations.

In February 2012, EDA launched the first phase of the Incentives Data Management System portal, which allows BEIP grant recipients to securely file and validate annual post-closing compliance documents online prior to the yearly March 1st deadline. This web-based enhancement reduces the need for the portfolio of nearly 400 BEIP customers to send hard copy documents to the EDA, and also increases process efficiencies by ensuring that customers submit complete and accurate information prior to review by the department’s staff. Future phases of the portal, which are currently under development will include similar functionality for all incentive customers, the automated review of compliance documentation and increased reporting and cross-referenced data collection and validation. The automation of annual reports reduces the amount of manual review time required for each report.
6. **Business Retention and Relocation Assistance Grant Program**

- **Questions:** What is the typical period of time that lapses between EDA's approval of a BRRAG tax credit agreement and its execution? Has there been a noticeable uptick in tax credit applications since the enactment of P.L.2011, c.123? If so, is the EDA concerned that the $20 million cap on annual tax credit awards might no longer be sufficient?

Under the BRRAG program, applicants generally sign agreements within 60 days of approval. The tax credits however, are not issued until after the business completes its capital investment, which could take between 12 and 18 months or longer depending on the size and complexity of the project. With the enactment of P.L. 2011, c.123, there has been an increase in the number of applications filed. In 2010, EDA approved 9 businesses for $2.4 million in BRRAG assistance, supporting the retention of 1,786 jobs and $54 million in capital investment. In 2011, under the legislative enhancements to the BRRAG program, EDA approved 20 businesses for $85.8 million in BRRAG assistance, supporting the retention of 9,314 jobs and over $382 million in capital investment. At this time, the EDA is not concerned that the $20 million will not be sufficient to support the program.

7. **Brownfields and Contaminated Site Remediation Program**

- **Questions:** For FY 2011 and FY 2012, please provide the number of projects that received reimbursements under the Brownfields and Contaminated Site Remediation Program as well as the amount of total disbursements. How many brownfield remediation projects does the EDA anticipate will receive reimbursements in FY 2013 and for what aggregate amount? What amount, if any, does the EDA anticipate will be directed to the Brownfields and Contaminated Site Remediation Program in FY 2013 from the constitutional dedication of four percent of annual corporation business tax collections for environmental purposes? What is the total outstanding Brownfields and Contaminated Site Remediation Program liability, as measured in reimbursement amounts that would eventually come due under memoranda of agreement that developers have signed with the State? What are the program’s funding requirements for FY 2014 and FY 2015?

In FY 2011, funding was disbursed for 21 projects in an aggregate amount of approximately $11.3 million. In FY 2012, funding has been disbursed to date (through March 31, 2012) of approximately $5.3 million to eight (8) projects. Other disbursements are pending for FY 2012 in an amount of approximately $5.5 million. The EDA believes that FY 2013 disbursements will be significantly higher compared to that of FY 2012.

The total outstanding Brownfields and Contaminated Site Remediation Program liability that would be due under memoranda of agreement that developers have signed with the State is approximately $350 million over a 20 year repayment term depending on revenues generated by each project.

Finally, in terms of identifying future funding requirements, i.e. for FY 2014 and FY 2015, the EDA and Department of Environmental Protection (DEP) have not been able to fully monitor the status of post remediation redevelopment activities of all approved projects due to different remedial requirements and monitoring timeframes for individual sites that are being cleaned up.
under the program; furthermore, many projects have not proceeded as originally envisioned due to a variety of factors, including the uncertainty of financing for redevelopment and vertical construction.

With the enactment of the new Site Remediation Reform Act, P.L. 2009, c.60 and licensed site remediation professionals issuing all Response Action Outcomes (RAOs), it will be even more difficult to do so. However, in recently assuming responsibility for the program following the transfer from the Commerce Commission, the EDA is working to establish a system of site visits and field reports by business development officers to better determine current business activities on approved project sites to improve budgeting for future reimbursement costs.

The EDA and DEP continue to examine program needs as well as work to implement all responsibilities under P.L. 2009, c.60; and, will be able to better assess funding requirements later in the year.

8. Fort Monmouth Economic Revitalization Authority

• Questions: Please report on the status of the revitalization of Fort Monmouth. What elements of the redevelopment is the Fort Monmouth Economic Revitalization Authority currently prioritizing? Please provide a big-picture outline of the phases of the planned revitalization. By which target date is the authority hoping to finish implementing the “Fort Monmouth Reuse and Redevelopment Plan?” How probable is the attainment of the goal of having 150 new jobs created at Fort Monmouth by the end of calendar year 2012? In what sectors would the jobs be located?

On August 17, 2010, Governor Chris Christie signed into law the "Fort Monmouth Economic Revitalization Authority Act," P.L. 2010, c. 51, which created the Fort Monmouth Economic Revitalization Authority (FMERA) to provide investment, continuity and economic growth to the communities impacted by the federal government’s decision to close Fort Monmouth. FMERA replaced the Fort Monmouth Economic Revitalization Planning Authority (FMERPA) and is charged with advancing that entity’s 20-year plan for reuse and redevelopment of the 1,126 acres of real estate that span parts of Eatontown, Oceanport and Tinton Falls.

The 20-year plan for Fort Monmouth emphasizes the expeditious creation of jobs, and encourages economic growth and investment in the region and strives to balance development with the protection and enrichment of natural resources, and seeks to honor Fort Monmouth’s rich 94-year history.

In June 2011, the U.S. Department of Housing and Urban Development (HUD) approved the Fort Monmouth Reuse and Redevelopment Plan, which was completed and approved under the auspices of FMERPA and submitted to HUD in September 2008.

The essential component of the initial redevelopment effort is the transfer of property from the U.S. Army to FMERA, which takes place through the Economic Development Conveyance (EDC) agreement. The Memorandum of Agreement (MOA) is the overarching agreement between the Army and FMERA, which lays out the deal points for the future EDC agreement. The FMERA Board approved the MOA and EDC application at its December 2011 meeting. Drafts of both documents were subsequently submitted to the U.S. Army. FMERA expects that the agreements will be approved by the U.S. Army and in place by spring 2012, with action on transferring the land parcels identified for Phase 1 of the redevelopment beginning soon after.
A key component of the property transition plan is the split of sales revenue between Army and FMERA. FMERA’s business plan and pro forma, developed with the help of Matrix Design Group, serves as the financial basis for the determination of the split of sales proceeds in both Phase 1 and Phase 2 of the redevelopment effort. FMERA led an exhaustive negotiation process with the Army to establish the deal terms of the MOA, which included the thorough evaluation of several financial scenarios and pro formas over the course of the summer and fall. The 20-year sale and lease proceeds projected by Matrix total $132 million for Phase 1. FMERA and the Army have agreed upon an estimated 40 (FMERA)/60 (U.S. Army) split of proceeds from the eventual sale/lease of the Phase 1 parcels over the 20 year period.

Several other actions have been taken that will likely help FMERA achieve the goal of creating 150 new jobs by the end of calendar year 2012, including the following:

In April 2011, Governor Christie announced that the New Jersey Turnpike Authority will reconfigure the Garden State Parkway in Tinton Falls, adding new ramps from the southbound Parkway to Wayside Avenue and signage in both directions at Exit 105 for Fort Monmouth visitors. Construction on the new exit and Hope Road improvements are anticipated to start in 2013.

In May 2011, FMERA approved the selection of a professional planning consultant, to design guidelines, zoning maps and land use regulations. In addition, the FMERA Board also set forth procedures for land sales and leasing space at the Fort in accordance with the appropriate land transfer from the Army. These rules provide a transparent process for FMERA to proceed with the reuse and economic revitalization of Fort Monmouth and were advanced to encourage the use of existing buildings at the post, optimize revenue opportunities to support redevelopment, and prioritize job creation and economic activity.

At the end of September, FMERA Board Chair James Gorman announced the reopening of the Suneagles Golf Course, which had been temporarily closed for play while a lease was executed between the U.S. Army and FMERA. Suneagles remains open to the public, and continues to entertain the needs of local and charitable tournaments. Atlantic Golf Management Inc. operates the Golf Course, which is open seven days a week and all year round, weather permitting.

In an effort to gain early revenues from the property before land is conveyed, the Army allowed FMERA to select a small number of early lease opportunities. This included the 16-acre former Clinic Parcel, located in Oceanport. A Request for Proposals (RFP) for the lease was issued in August 2011, and one proposal was received from AcuteCare. Per the RFP, if AcuteCare is awarded the parcel, they would be obligated to purchase the property when the Army conveys the Clinic Parcel to FMERA. AcuteCare expects to create 200 new jobs and invest an estimated $15 million to renovate the facility. Additionally, the new facility would offer improved medical services to the community, including the elderly, veterans and other patients in need. In February 2012, the Board approved FMERA’s continuing negotiations with AcuteCare, which will ultimately lead to the final lease/purchase agreement, and is required to come back to the Board for final review and approval.

To advance the conveyance process, FMERA issued its first Request for Offers to Purchase (RFOTP) in October 2011 for Parcel E, a 55 acre tract located in Tinton Falls. After a thorough review of the proposals staff recommended and the Board subsequently approved FMERA to enter into exclusive negotiations with the highest scoring bidder – CommVault, a company that has presented a transformative project that will provide immense benefits to the entire area. If
the company is successful in acquiring the property, completing design work, and gaining all required approvals, permits and incentives, the company’s new 650,000-square-foot state-of-the-art headquarters would house up to 250 employees within the first three years after occupancy and an estimated 2,500 employees once it is fully built out. As FMERA moves forward with the process, the Board will be asked to provide final approval of the terms and conditions of the sale of Parcel E.

To further bolster redevelopment efforts, the EDA Board approved a new policy in February 2012 tied to the state’s Business Employment Incentive Program (BEIP). Per this new policy, BEIP applicants that are seeking to create jobs at facilities located within the Fort’s footprint will be provided bonus scoring of 15 percent under the BEIP calculation used to determine grant awards. This aligns with other recent legislative and policy enhancements to EDA programs to help support efforts at FMERA, including allowing facilities within FMERA to benefit under the Economic Redevelopment and Growth (ERG) Program.

Finally, the EDA will be closely tracking and reporting on job creation efforts at Fort Monmouth as one of its’ key performance indicators for the “Supporting Redevelopment Projects that Revitalize Communities and Stimulate the Economy” Core Mission Area in the FY 2013 Budget.

9. Clean Energy Solutions ARRA Combined Heat and Power Program

• Questions: Please outline the strategy the Administration intends to employ to reach its target of developing 1,500 Megawatt of Combined Heat and Power (CHP) generation capacity over the next ten years. Has the EDA identified a permanent funding source to provide financial assistance to potential CHP facility developers? If not, which funding streams are under consideration? Are there currently any active State programs that offer financial assistance to developers of CHP facilities? Has the EDA awarded any additional financial aid to proposed CHP projects through the Clean Energy Solutions Capital Investment Loan/Grant program beyond the three projects identified in EDA’s response to EDA Discussion Point #5 in the OLS FY 2011-2012 Department of the Treasury Budget Analysis?

In spring 2012, the EDA plans to launch a new Large Scale CHP-Fuel Cells (LSCHP-FC) Program utilizing New Jersey Board of Public Utilities’ Clean Energy Program funds. Under the program, there will be a total of $55 million in funding available to support large-sized CHP projects including stand-alone qualified fuel cells. It will be designed to assist those implementing combined heat and power or combined cooling heat and power (CHP) or fuel cell projects with an electric generating capacity of more than one megawatt (MW) serving a commercial, institutional, or industrial electricity customer in New Jersey.

The first solicitation round, anticipated to be launched in the Spring of 2012, will be in the amount of $20 million for large scale CHP projects (greater than one MW) with 15 percent of those funds, up to $3 million set aside for the funding of Fuel Cell projects. Also, it is anticipated that a second solicitation round will be made available in late 2012 in the amount of approximately $35 million. It is estimated that these funds will support ten CHP projects and two Fuel Cells projects supporting approximately 65 megawatts of CHP energy in 2012. Finally, it is anticipated that this will be an ongoing process with at least two solicitations made available per year. The amount of future funding and timing for solicitations beyond 2012 will depend upon program demand and available funding.
The EDA’s Energy Efficiency Revolving Loan Fund (EE RLF) Program has recently expanded eligibility requirements to now include New Jersey’s Clean Energy program’s stand-alone small scale CHP & Fuel Cells program offering incentives for up to 1MW of installed capacity. Under the EE RLF program, financing, in the form of low-interest loans, can be used to support up to 80 percent of total eligible project costs, not to exceed $2.5 million or 100 percent of total eligible project costs from all public State funding sources.

In addition, the EDA is exploring a new ARRA Revolving Loan Fund Program. This program is anticipated to be designed for the purpose of utilizing unexpended ARRA funds for future energy efficiency and renewable energy projects within state entities. Funds under this program may be used to support CHP projects for state entities. The amount of funding available will be approximately $3 million.

The EDA awarded three CHP projects through the Clean Energy Solutions Capital Investment (CESCI) Loan/Grant Program. Of those three, two are moving forward. It is anticipated that funding for these two projects will be disbursed by the end of May 2012. The total amount of the two CHP Projects to be funded through the CESCI program is $8,451,573.

There are six ARRA CHP projects advancing and expected to be completed by April 30, 2012. Projects advancing under the ARRA CHP program (which include the same two projects receiving funding under the CESCI program) are expected to generate a combined 26.5 megawatts of CHP energy. The total amount of funds to be disbursed under the ARRA CHP program is $14,216,606.

In August 2011, the EDA held a focus group on the topic of funding Combined Heat and Power (CHP) projects which allowed the EDA to further explore the needs for CHP project funding. In January 2012, two public working group sessions were held to elicit comments regarding the development of a new CHP program. The EDA and BPU took that information into consideration with the development of the new Large Scale CHP-Fuel Cells program. This program is in alignment with the goals of the New Jersey Energy Master Plan. The EDA continues to explore opportunities to determine how to best provide financing for CHP projects and support efforts to meet the goals of the New Jersey Energy Master Plan to target developing 1,500 Megawatts of Combined Heat and Power generation capacity over the next ten years.

10. State Small Business Credit Initiative

• Questions: Please report on EDA’s use of the $33.8 million the State was awarded under the federal State Small Business Credit Initiative. Please identify the specific EDA programs receiving funding, and for each program delineate the amount allocated, the amount that has already been expended or committed, and any metrics on the expected economic benefits to New Jersey resulting from the investments receiving financial assistance. What portion of the $33.8 million has the EDA already received? Has the EDA engaged a contractor to manage the $5.0 million awarded to the New Jersey Venture Capital Fund Program? If so, what firm won the contract and has the $5.0 million been invested already?

Of the first tranche of $11.1 million in financing received under the State Small Business Credit Initiative (SSBCI), the EDA has approved $9.6 million in project financing utilizing SSBCI funds.
Specifically, two venture funds, Osage and NextStage Capital, were recently selected via a public, competitive process to provide a total of $5 million of much-needed early stage capital to technology businesses in the state. The capital will be disbursed according to the terms of the partnership agreement with each fund.

The estimated 15 investments that will be made in technology businesses totaling $5 million are expected to create 90 new full-time jobs within 2 years and maintain approximately 285 existing full-time positions, resulting in approximately $1 million in State income tax revenue annually and $5.2 million over a 5-year period. The financing is expected to leverage nearly $75,000,000 in private investment.

Under the Loans to Lenders component of the Fund for Community Economic Development, an additional $500,000 was approved as a long-term, low-interest loan to the Greater Newark Enterprise Corporation (GNEC), a nonprofit that will make loans to small businesses in the greater Newark area. The $500,000 loan is expected to create 80 new jobs within 2 years resulting in State income tax revenue of approximately $210,000 annually and $1,050,000 over a 5-year period. The financing is expected to leverage at least an equal amount from private sources.

In addition, $4.1 million has been approved for projects with Premier Lenders under the EDA’s Main Street Business Assistance program and Statewide Loan Pool.

At this time, the EDA is preparing its request for the second tranche of funding expected to be received within the next several months.