

Summary of "New & Improved" GrowNJ Program

Step 1: Determine Minimum Eligibility

A. Will Build-Out of the Premises Meet the Minimum "Capital Investment" Requirement? Y/N

Industrial -- Rehabilitation Projects (\$/SF)	\$20
Industrial -- New Construction Projects (\$/SF)	\$60
Office -- Rehabilitation Projects (\$/SF)	\$40
Office -- New Construction Projects (\$/SF)	\$120

Note: Min. Capital Investment amounts are 1/3 lower in Passaic, Paterson, Trenton, Camden ("GSGZ cities"), and in 8 South Jersey counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem

B. Will the Build-Out Meet Minimum Green Standards? (Minimal State Standard, Not LEED) Y/N

C. Will the Build-Out Meet Prevailing Wage/Affirmative Action Requirements on Initial Constructivity Activity? Y/N

D. Does the Business Meet the Minimum # of Jobs? (See below) Y/N

Minimum Full-Time Employment -- by category	New Job Minimum	or	At-Risk Job Minimum	Note: Min. employment numbers are 1/4 lower in Passaic, Paterson, Trenton, Camden ("GSGZ cities"), and in 8 South Jersey counties listed above.
"Technology Startup Companies" & Manufacturing Businesses	10		25	
Businesses in "Targeted Industries" (other than tech startups & mfg)	25		35	
All Other Businesses/Industries	35		50	

Step 2: If eligible under Step 1, Determine Project Category with Base Award Amount and Maximum Award Amount

<u>Project Category</u>	<u>Base Amt per employee (new/existing)</u> (assumes 10-year max. award)	<u>Maximum Amount per employee*</u> (assumes 10-year max. award)	<u>Maximum Award (Aggregate)* ^</u> (assumes 10-year max. award)
"Mega" Projects" **	50,000/25,000	150,000/75,000	300,000,000
Passaic, Paterson, Trenton, Camden ("GSGZ cities")	50,000/25,000	150,000/75,000	300,000,000
Newark, Eliz, E Orange, Hoboken, Jrsv City & New Brunsw ("UTHTC cities")	50,000/25,000	120,000/60,000	100,000,000
Distressed Cities excl. projects covered above	40,000/20,000	110,000/55,000	80,000,000
Other Priority Areas	30,000/15,000	100,500/50,250	40,000,000***
Other Eligible Areas	5,000/2,500	60,000/30,000	25,000,000***

* Per employee and per business awards may be higher for projects located in City of Camden.

** To qualify, business must: (1) be in logistics, manufacturing, energy, defense or maritime industries, and locate in "Port District", or (b) be in any industry and locate in an "Aviation District" or "GSGZ city" and (2) (a) employ 250+ FT positions and make a capital investment of >\$20MM or (b) employ 1,000+ FT positions. A business in any industry not otherwise eligible as a mega project can nevertheless qualify by locating in an "Urban Transit Hub" in a "UTHTC city", employing 250+ FT positions, and making a \$50MM+ capital investment.

*** or 90% of employer withholding taxes, whichever is less

^ Important Note: If maximum award exceeds \$4MM annually, the total award shall equal the lesser of the maximum award calculated per this chart or an amount determined by NJEDA as "necessary to complete the project."

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Step 3: Determine Eligible Bonuses

	<u>Rate per employee (new/existing)</u> (assumes 10-year max award)	<u>Maximum Bonus per employee</u> (assumes 10-year max award)
Located in a "Deep Poverty Pocket" or Choice Neighborhood (HUD)	15,000/7,500	n/a
Located in a Redevelopment Area w/in 1/4-mile of 1 US Hwy & 2 State Hwys	15,000/7,500	n/a
Located in a "Qualified Incubator Facility"	5,000/2,500	n/a
Located in a project that includes workforce housing for 20%+ of employees	5,000/2,500	n/a
Located within a "Transit Oriented Development"	20,000/10,000	n/a
Located within 1/2 Mile to Light Rail Station constructed after Sept. 18, 2013	10,000/5,000	n/a
Located in a Marine Terminal in S. Jersey Port District outside GSGZ cities	15,000/7,500	n/a
Located in certain municipalities within 8 S. Jersey counties listed above	10,000/5,000	n/a
Additional Capital Investment - Industrial Bldgs (above min amt req'd in Step 1)	\$10k/\$5k per each 20% over min invest	30,000/15,000 (50k/25k if Mega Project or in a GSGZ city)
High-Average Salary Job Bonus	\$2,500/\$1,250 per 35% over County/GSGZ City Average	15,000/7,500
Super Jobs (>250 to 400)	5,000/2,500	n/a
Super Jobs (401 to 600)	7,500/3,750	n/a
Super Jobs (601-800)	10,000/5,000	n/a
Super Jobs (801-1,000)	12,500/6,250	n/a
Super Jobs (1,001+)	15,000/7,500	n/a
Targeted Industry	5,000/2,500	n/a
Greater Greening of Project (LEED Silver)	2,500/1,250	n/a
Substantial Environmental Remediation of Project	2,500/1,250	n/a
Project Generates On-Site Solar Energy Exceeding 50% of Electrical Needs	2,500/1,250	n/a

Step 4: Add Bonuses to Base for Total Gross Benefit, subject to caps in Step 2 above

Step 5: Determine Maximum Benefit

100% of Total Gross Benefit (see Step 4 above) x number of **new** jobs

plus

50% of Total Gross Benefit (see Step 4 above) x number of **existing at-risk** jobs (However, a business affected by a federally-declared disaster may be eligible for 100% award.)

Step 6: Subject Maximum Benefit Amount in Step 5 to "Positive Net Benefit" Test

(Test: Will capital investment and jobs yield a net positive benefit to the State equaling at least 110% of the requested incentive amount?)

Test period equals 20 years (up to 30 years for Mega Projects & projects in GSGZ cities, and up to 35 years for projects in Camden). Discretionary bonus in net benefits calculation for GSGZ projects.

Step 7: Total Tax Credit Award = Lesser of Amount in Step 5 or Step 6 -or- "Maximum Award (Aggregate)" listed in Step 2

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Key Program Details:

> For each year of incentives (up to maximum of 10 years) , the business must commit to maintaining the project with the minimum number of FT job positions for 1.5x the length of the incentive award period.

Key Program Deadlines:

> "Mega Project" applicants must apply by September 18, 2017. All other GrowNJ applications must be submitted by July 1, 2019.

> Approved applicants must satisfy job and capital investment requirements within 3 years from date of approval by the NJEDA (with 2 possible 6-month extensions).

Summary of key definitions used in this chart and/or the GrowNJ program:

"Aviation District" - Area within one-mile radius of Atlantic City International Airport.

"Capital Investment" - Expenses made by a business or any landlord (including some items acquired pre-application) in constructing or fitting-out project plus most fixtures & equipment.

"Deep Poverty Pocket" - A population census tract having a poverty level of 20% or more.

"Disaster Recovery Project" - A project located on property substantially damaged by a federally-declared disaster.

"Distressed Municipality" - Per definition, includes 51 cities (excluding the GSGZ cities & UTHTC cities) -- See Schedule A of this Summary for a List of Cities

"Garden State Growth Zones" or "GSGZ cities"- The following 4 cities: Passaic, Paterson, Trenton & Camden. (Note: With the exception of Passaic, all other cities are also "UTHTC cities.")

"Large Empty Building" - 400,000 sq ft or larger office, lab or industrial building that has been vacant for more than one year.

"Port District" - Area within approx. 25-mile radius of the Statue of Liberty and area within 15-mile radius of each marine terminal facility in South Jersey

See Schedule B of this Summary for a Map of the northern NJ "Port District"

"Other Eligible Areas" - Aviation District; Planning Area 3; certain portions of Meadowlands, Pinelands & Highlands; certain portions of Planning Areas 4A, 4B & 5.

"Other Priority Areas" - Planning Areas 1 & 2; "Designated Centers" & "Designated Growth Centers" under the current State Plan; "Port Districts"; "Deep Poverty Pockets"; "Disaster Recovery Projects"; "Transit Oriented Developments"; "Qualified Incubator Facilities"; "Large Empty Buildings"; closed federal military bases

"Qualified Incubator Facility" - 100,000 sq ft or larger office, lab or industrial space located near research institute, teaching hospital, college or university, with 75% of space restricted for use by "Technology Startup Companies"

"Targeted Industries" - Transportation, defense, energy, logistics, life sciences, technology, health, finance, manufacturing.

"Technology Startup Company" - A business in operation for fewer than 5 years, developing or possessing a tech, high-tech or life-sciences related product, process or service which the business is moving towards commercialization.

"Transit Oriented Development" - Facility located within 1/2-mile (1 mile if in a GSGZ city) of a commuter rail (including light rail), bus or ferry station.

"Urban Transit Hub" - Area within 1/2-mile of commuter rail stations, including light rail, in the UTHTC cities (1 mile in Camden) or property adjacent to freight rail and using a rail spur w/in one mile for freight rail purposes.

"UTHTC cities" - The following 9 cities: Newark, Elizabeth, East Orange, Paterson, Jersey City, Hoboken, New Brunswick, Trenton & Camden. (Note: Paterson, Trenton & Camden are also GSGZ cities.)

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Schedule A -- List of "Distressed Municipalities" under the GrowNJ program:

Asbury Park City (Monmouth)
Bayonne City (Hudson)
Belleville Township (Essex)
Bloomfield Township (Essex)
Brick Township (Ocean)
Bridgeton City (Cumberland)
Burlington City (Burlington)
Camden City (Camden) * ^
Carteret Borough (Middlesex)
Clifton City (Passaic)
East Orange City (Essex) *
Elizabeth City (Union) *
Garfield City (Bergen)
Glassboro Borough (Gloucester)
Gloucester City (Camden)
Gloucester Township (Camden)
Hackensack City (Bergen)
Harrison (Hudson)
Hillside Township (Union)
Hoboken City (Hudson) *
Irvington Township (Essex)
Jersey City (Hudson) *
Keansburg (Monmouth)
Kearny Town (Hudson)
Lakewood Township (Ocean)
Lindenwold Borough (Camden)
Lodi Borough (Bergen)
Long Branch City (Monmouth)
Millville City (Cumberland)
Monroe Township (Gloucester)
Montclair Township (Essex)
Mount Holly Township (Burlington)
Neptune City Borough (Monmouth)
Neptune Township (Monmouth)
New Brunswick City (Middlesex) *
Newark City (Essex) *
North Bergen Township (Hudsons)
Old Bridge Township (Middlesex)
Orange City (Essex)
Passaic City (Passaic) ^
Paterson City (Passaic) * ^

Pemberton Township (Burlington)
Penns Grove Borough (Salem)
Pennsauken Township (Camden)
Perth Amboy City (Middlesex)
Phillipsburg Town (Warren)
Plainfield City (Union)
Pleasantville City (Atlantic)
Rahway City (Union)
Roselle Borough (Union)
Salem City (Salem)
Secaucus (Hudson)
Trenton City (Mercer) * ^
Union City (Hudson)
Vineland City (Cumberland)
Weehawken Township (Hudson)
West New York Town (Hudson)
Willingboro Township (Burlington)
Winslow Township (Camden)
Woodbridge Township (Middlesex)
Woodbury City (Gloucester)

* also a UTHTC city

^ also a GSGZ city

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