Emerge Listening Session – April 14, 2021

Elizabeth Limbrick: Hello! Welcome, everyone. We're just going to give it another minute as the attendees come into the room.

Okay, I see a few more attendees entering. We'll get started shortly.

Alright, I think we're ready. So, good afternoon and welcome! On behalf of the New Jersey Economic Development Authority, I'd like to thank you for joining us today for the third of three listening sessions on the Emerge Program.

For those of you who might not have had the pleasure of meeting me before, I am Elizabeth Limbrick, the Director of Brownfields and Sustainable Systems at the New Jersey Economic Development Authority.

We are convened today for a focused stakeholder discussion on the Emerge Program, and in preparation for today's meeting, we've really done a lot of deliberation on how we could best draft the rules and program specifications to stand up this new program. And we are really now at a key moment where we can share our considerations and get some of your feedback on anything we may have missed or other things that you think are of critical importance to the work we're trying to do.

I'll take you through an overview of the format and the ground rules for the session, and then I'm going to turn it over to our CEO Tim Sullivan, our Chief Economic Growth Officer Brian Sabina, and our Director of Tax Credit Programs Matt Abraham, who will walk you through the details of the program.

After the presentation, we're going to then open it up for your input. And, I do want to note that this program will be recorded, and the slides and the recording will be posted on our website.

Next slide, or I think we are on the next slide. So, Emerge is one of several programs in the Economic Recovery Act, and this act was signed into law by Governor Phil Murphy, on January 7 earlier this year. Now, we're building this Emerge program and the specifications and the rules based on the Economic Recovery Act statute. So, today's session is a continuation of the process that gets us to rule completion.

A stronger fairer New Jersey has been the foundation of Governor Murphy's administration. And the Economic Recovery Act creates an entire portfolio of tax

incentive programs, financing programs, and grant programs that will build a stronger and fairer New Jersey economy.

The Economic Recovery Act is both a broad-based recovery bill, and a reform bill that will better position New Jersey to recover from the economic crisis caused by COVID, while remaining true to the New Jersey Economic Development Authority's commitments to transparency and accountability.

We have a wealth of information on our website, and it's on this particular slide, NJEDA.com/economicrecoveryact.

You can learn about any of the programs and Economic Recovery Act. And, we have a convenient portal there as well for you to provide general feedback. I highly encourage you to visit our website.

So, please note today's session is only one step of the consistent points of engagement in our rulemaking and program development process. We're going to have multiple opportunities for engagement. For example, we had the link on the previous slide. And then, what we're doing here today is an example of program-specific feedback on Emerge. And again, this is the third of three sessions, and today we're going to take a deep dive, looking at the attributes and definitions for the Emerge Program.

Under the leadership of Governor Murphy and our CEO TIM Sullivan, we are committed to transparency, equity, and faithful stewardship of taxpayer dollars.

And we welcome constructive input from all New Jerseyans as we work through the process of implementing the programs under the Economic Recovery Act.

Again, this afternoon session is a program-specific session on the Emerge Program.

Under Governor Murphy's executive order #63, or EO 63 as we affectionately call it, we are deepening and strengthening our efforts to engage with stakeholders and the community at large. And this is not just something we're doing at EDA, but something you will see throughout the Murphy administration.

We're providing multiple opportunities for groups and stakeholders to provide meaningful input and to engage with us in crafting the rules and standing up the Emerge Program.

Again, we really do welcome constructive input on how to ensure these new programs created through the Economic Recovery Act are structured and administered in a manner that drives opportunities for all residents and communities.

You can see we have two hours reserved for the session. The first part will be about 45 minutes of presentations from us at EDA, and then we're going to open it up to you for public input. So, we're reserving about 75 to 90 minutes strictly for public input, so if you have items that you want to raise, you certainly will be given the time to do so.

Now, as shown on this slide, we've made it easy to submit written feedback on the Emerge Program. You can go to the link NJEDA.com/emergefeedback.

As I mentioned earlier, this session is being recorded, and you may notice that we have a little red dot at the top of the screen, showing that we are in fact recording this. We will be posting the video.

The draft rules are already there. You can go to that website NJEDA.com/emergefeedback to put in your written feedback.

So, just as a matter of process, we do have a few rules of engagement. Feedback can be submitted verbally, again, by raising your hand. And so, if you go to your bottom bar, you will see, I think you have to go to participants, you can raise your hand that way. Then, also, if you click on the three dots that say “more,” you will see the thing, so you can raise your hand.

Now, we're going to take comments in the order that the hands are raised, but bear in mind, we will go through the entire presentation before we open it up for public input. At that time, I'm going to call on each person with their hand raised in the order that they raised their hand, and then, we will unmute your microphone, and you can make your statement.

In order to ensure we have time for everyone's voice to be heard, you will have three minutes to speak, and please keep your comments to matters pertaining to the Economic Recovery Act of 2020, the Emerge Program, or the draft rules.

Each member of the public will have one opportunity to provide comments, but then, if time remains at the end of the session, we will reopen the opportunity for additional remarks.

We're very focused on seeking your input in the session, and we want to hear your thoughts. So, this is not meant to be a dialogue with NJEDA staff. However, if you do have basic questions or you're seeking clarification on the speaker's input, we may be able to respond to that. But again, we're really focused on hearing what you have to say.

Please treat everyone with respect. Speakers and members of the public should at all times maintain proper decorum and provide their remarks in a civil manner. You can use the Q & A feature. However, those questions will not be read aloud, but we will have a transcript of that on record.

Again, each member of the public that wishes to speak should use that raise hand feature. So, I'm just reinforcing that we are recording this meeting, and we want you to be aware that that recording has actually begun. If you speak on the record, it's your consent that you support being recorded.

We thank you for participating! At this time, I'd like to introduce our Chief Executive Officer of the New Jersey Economic Development Authority, Tim Sullivan. Tim, the floor is yours.

Tim Sullivan: Elizabeth, thank you for that great introduction. It's always good, it's always fun, when we're in meetings with so many rules. It feels like we're in, you know, like, a parliamentary process. This kind of stuff here is very exciting. All kidding aside, this is a really important set of discussions and conversations for feedback that we're in the process of receiving.

As Elizabeth mentioned, this is the third of three listening sessions just around Emerge, which is the successor to Grow. You can expect a calendar full of similar type engagements or any other dozen or so programs that are embedded in the Economic Recovery Act.

So, if you're the kind of person who likes public meetings to give input on rules and regulations, and I saw the participant list, some of you are those people. I know you. I like you. You're the people who like doing public comments on rules. 2021 is going to be a hell of a year for you, because we have a significant number of programs coming down the pike out of the Economic Recovery Act, but first out of the chute is Emerge. It's really important. It's the successor to Grow. I think it's better and stronger and fairer, in a whole bunch of dimensions, than Grow.

We've had draft rules public on the street for almost two weeks now. We're in, again, the third of three listening sessions. We expect and anticipate bringing this to our May

board meeting—we had our April board meeting earlier today. We have our May board meeting to bring these forward for consideration by our board. At which point, they would have the effect of law while they then go out for further public comment again—Administrative Procedures Act.

We're very proud of the work we've done so far as a team. Not just within the EDA, but with the Attorney General's Office and the Governor's Office. Lots of folks have done an enormous amount of work to get draft rules to where they are today.

The only thing I'm positive about is that they're not perfect and can only benefit from more input, more feedback, more suggestions, more good thoughts from the public during this session and in prior sessions and in written public comments that you can do at your convenience on our website right now. As Elizabeth mentioned, we couldn't take more seriously our obligations as stewards of taxpayer dollars.

And we also have an important mission to help grow and strengthen the economy, and that sometimes requires a balance. We'll never get that balance perfect, but memorializing rules and procedures for these programs is a focus moment for getting that balance right. And so, please, first of all, thank you for being on today. We look forward to getting your perspective on this call and, again, subsequently, lots of other times along the way.

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Tim Sullivan: We want this to be as public and transparent of a process as possible. That's why we're availing ourselves of the ability we have under EO 63 to do these pre, public comment engagement sessions, and we really appreciate your time, your engagement, and, most importantly, your good thoughts.

We look forward to getting into the discussion, sharing a little bit of what's in the proposal, and then, most importantly, getting your feedback. So, with that in hand, I'm going to hand it to my colleague Brian Sabina, who is going to walk through a kind of Reader's Digest version of what's in the 60-something page document that is the rules. And then we'll get into a good discussion and do the listening that we came here to do. So, thank you all for being on. Thanks for your participation, and, Brian, over to you!

Brian Sabina: And thanks Tim and thanks Elizabeth for the great intro. As Tim said, this is really just some highlights of the proposed rules. A full version of the rules can be found on the Economic Recovery Act transparency website that Elizabeth mentioned. If you go there and you kind of click on "give more additional programs-specific feedback," you'll

be brought to a site that allows you to give additional program-specific feedback and you can download this presentation. You can download a full copy of the rules. The rules include some early kind of context-setting material and a whole list of the actual text we're proposing. And then, a whole list of proposed industry definitions. Those industry definitions would not technically be part of the rules. They would be part of our internal EDA policies, but we're also seeking feedback on that area as well.

For those who are less familiar with exactly what's in the Economic Recovery Act, or the regulatory process, you may know that there's some things that we cannot change that are written into the statute that are kind of fixed, and there are some things that we have some discretion or some ability, where the law is quiet, where we can add clarity in the rules.

Anything that's highlighted in light green is something where we have some discretion and flexibility, and we've used that discretion and flexibility to provide clarity or to read more specificity within the regulations. Anything that's not highlighted in green is actually written into law, so we have limited flexibility to address those items.

We can kind of jump into it.

In terms of what we'll cover today, first, and we we talked about this a little bit, what is emerge? It is one of the 15 programs in the Economic Recovery Act and it's the successor to the Grow program as Tim mentioned.

What does that mean? it means it's a jobs-based tax credit program, and we have a lot of different tools in that Economic Recovery Act. This is clearly one of the signature premier tools, but it is a very specific tool. We have other tools that are for Main Street development, other tools that are meant for smaller innovation companies. We have other tools that are meant for gap-based financing from real estate projects

This is a grow-jobs-and-grow-capital-investment-in-physical-space type of program. Those awards are, like Grow, sized on a per job basis and, unlike Grow, this program focuses very heavily on job creation, so new jobs and then also has some focus on very large retention projects between 500 or 1,000 plus jobs.

Some of the other themes that you'll hear in addition to kind of focusing on new jobs.

One, the program has a geographic lens where we focus on creating incentives to invest in the communities within the greatest level of distress or in the greatest need and free development. We have a whole policy lens around investing in party sectors that we

think New Jersey is strong in today but can continue to be strong in the future. These are sectors that will bring dollars into our economy and help fuel the vibrancy in our communities and other industries.

One of the other themes we'll talk about is around increasing flexibility, especially for small businesses. One of the, perhaps reasonable, critiques of the Grow program was that it didn't really work well for a high-growth company. Even if they're running for a lot of jobs, Grow required clarity about exactly when those jobs are coming in, where and what form, so this program provides more flexibility for very high-growth companies.

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For at least six and a half, seven years, for those who are following the broader Economic Recovery Act, you will know that the program is kept overall at $1.1 billion over six years. That cap is combined. It's a New Jersey aspire program, which is our more traditional, real estate, gap-based financing program, and they were kind of clumped together.

There is an option to roll over any unused cap into a seventh year, so we look at them almost as a seven-year program lifespan for this Emerge Program. Also, within the caps, there's some splits based on North Jersey and South Jersey. And north and south are defined in the law. It's not that we don't love Central Jersey—we're firm believers. However, the law helps define geography in a certain way, and you'll hear us use that same north/south methodology a couple times in the slides ahead.

As we mentioned, awards are capped per job—not just on a program level, but per job. And those caps range from $3,000 to $8,000 per job per year based on the project location and other factors such as the net benefit to the state. We'll get into more of that later.

When a company gets awarded, they get awarded an amount per job per year times the number of years. The maximum number of years that they can get awards for is up to seven. Although, that can be less if a company wants to commit to less or is only asking for less.

But that kind of seven years is what we call the eligibility period to receive tax credits.

We then have a commitment period, which is the eligibility period times 1.5 rounded up, and that commitment period says those jobs in that company need to stay in New

Jersey for one and a half times whatever we commit to paying our tax credits on. So, that creates kind of the boundary on requirements for companies to stay. If they leave earlier and that project moves on, we obviously have the appropriate capture or callback types of provisions within this program as well as with all EDA programs to make sure that we protect taxpayers.

One of the other major themes that we have talked a lot about in relation to the Emerge Program is that there's a much stronger focus on community engagement in this program. For all projects over $10 million, not in award but in project size, a community benefits agreement will be required. That agreement, which we'll get into more about what that is, is part of those key benefits agreements.

Other requirements are to hold public engagement sessions or to have a public review committee of the implementation of that community benefits agreement that's staffed with local residents of the communities and also business owners. So, there's a lot there, and we're excited about that aspect.

As we start to get into a little bit more about the program, we're going to talk about three big buckets. The first is eligibility factors, and how do we assess the eligibility to get into the program. And the second is around targeted industries and bonuses. Basically, how do we size awards. And then the third is around fiscal protections and resident to make sure projects are delivering on benefits, not just in terms of job creation investment but the broader suite of investments that we want to see in our communities.

So, we'll kind of double click into eligibility.

The law frames the first part of our eligibility assessment in terms of material factor. So, it says that any tax credits that we give to a project must be material or have an influence on the decision about whether that project comes to New Jersey or not. You know, that has long been the bar here in New Jersey for similar jobs-based tax credit programs.

What we've done a little bit more clearly we think in the regs, or in the rules, for this program is really lay out in more granularity what you can and cannot do in order to kind of preserve your value claim that this tax credit is a material factor.

So, you can spend money to investigate options, do due diligence, environmental workforce. You can spend money to validate costs. You can send money investing in options. But we need to believe that you have either already done that similar analysis

on another location or are simultaneously spending on the New Jersey location and if there's an alternative location outside of the state.

You also cannot do things such as actually make a real estate purchase. You can't have purchased the property prior to approval. You cannot enter into a letter of intent, unless there is a non-penalty based or a penalty-free contingency that let's the company get out of that lease or that letter of intent, if they don't get the tax credits. So, we've tried to write some more clarity there. I know a lot of companies have been asking for this.

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The second thing that material factor assessment requires is that we do what the law says is an economic analysis across alternative sites. We will typically refer to that as our cost benefit analysis, which allows us to compare what costs the company faced in New Jersey compared to an alternative location.

What we've done in the regs and the rules this time is really tried to find more clarity around what goes into that analysis, so that companies can have an understanding of that. So, things like size, location, and cost per square foot. One-time upfront costs can go into that as well as ongoing costs. In the rules, as you kind of go through them, you'll see that we've included both what can be included, as well as certain explicit exceptions and things that we know we will not allow. And we've tried to make this as clear as possible.

One of the other things that is clear in the law and we've tried to do, and they're excited to be able to embody this in the rules, is that we really want to have apples to apples comparisons as we do these cost benefit assessments across multiple sites.

That means things like creating some clear approaches to standardizing when one facility is owned and another facility is leased. It includes using a standardized discount rates, standardized methodologies for doing some of these calculations. It also includes standardizing costs across quality levels. So, if a company is coming in and saying, “hey I'm considering class A office space in New Jersey and considering class B office space in Amarillo, Texas,” nothing against Amarillo if any of you are from there, but we need to adjust for both the quality of that space, A vs. B, as well as size and some of the other factors to consider. So, we'll try to create apples to apples comparisons to get a more accurate reflection of the cost benefit of coming to New Jersey versus other places.

As part of our assessment, we also have the ability, the law allows us, to seek additional information from companies. In case there's a close call here, we really are trying to

assess whether you believe there is a material factor, and those may be asking about things such as proximity to customers or proximity to the key infrastructure, like the course linkages to one supply chain or linkages to research centers that are critical. So, we can look at a variety of additional factors if we think this is a close call for the state.

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One of the topics that is interesting is that we are allowed to designate some projects as mega-projects. It's a concept that was also in Grow but has been imported here. The law instructs ETA to determine some thresholds for how we look at what's a mega project versus what's a regular project. We've identified, similar to some past thresholds, that to be a mega project the job would have to bring at least 500 new full-time jobs, and the law is specific that these have to be new jobs and can't be retain jobs.

We've defined it as at least $50 million of capital investment. We've defined that it has to be in one of our targeted industries, and we'll talk about what those are in a second.

This last bullet is kind of alluded to in the law, and we've tried to add some specificity around it. We need to believe that this project will help New Jersey take a leadership position in one of our targeted industries. What does it mean to take a leadership position? It means that the project will create kind of an industry leading investments. So, a world class asset in a new technology or a new high growth kind of sub industry. Or, it will help, we believe, will help anchor a new industry cluster either at the industry level or at the sub industry level here in New Jersey.

So, that's how we assess mega projects. They really are meant to be really large critical key projects for the state to get some additional benefits. In terms of small business, I mentioned that there's some flexibility making the company better suited to high growth. The first step of that is to define small business, which the statute does quite well for us. A small business is one that is within one of our target industries and has to have less than 100 full-time employees at the time of application. We will look at that not on a head count basis but on an FTE basis. So, we would ask a company to tell us all their part time employees and full time employees, and we will look at our price comparison and come up with that FTE calculation at application and that will determine which track you're on and what you're eligible for.

If you are a small business, there are some pretty strong benefits. One, there's no minimum capital requirement required as part of the project, but the company does have to still demonstrate that they intend to stay in the state for the required period of time. So, there's some questions of how would you do that. If you don't have capital

investment, it could be a lease, it could be a membership agreement, or it could be other sorts of commitments. And, we do allow for those companies to move to different locations. However, their tax credit award cannot go up, and it could potentially come down if they go to a less targeted location in the state, but there's a lot more flexibility to shift locations as a company evolves and grows.

In terms of how many jobs that company has to create to get into the program, there's some flexibility here. So, if you're a 20-person company, it's not fair to set a minimum job growth of 25 jobs—the same threshold that we use for a 1,000-person company. So, what we've done is we’ve set it as a percentage of company size. So, a small company or small business must show us 25% of growth of its workforce at the time of application over the course of the project.

One of the other things we hear is that small businesses really want to get money sooner to help fuel their growth, so we've allowed companies to get tax credits earlier in the process. They don't have to create all of the jobs. They just have to have created enough jobs that we believe there is a pathway to hitting their target. In real life, they agreed to that pathway within an application at approval as part of what we call a growth plan. I think that's it on small business.

Next slide. I think from here I will pass it over. You’ve heard a lot of me talking. I'll pass it over to Matt Abraham, who is our Emerge product leader. We're very excited to pass it to him, and I will be around for questions at the end.

Matthew Abraham: Excellent. Thank you, Brian. Great job.

So, I'm going to talk about net benefits. The bill states that the award must have a net benefit for the state. The award of tax credits, the result of capital investment, the result of new job creation and or retention must yield a net positive economic benefit to the state.

So, projects that are located, and I'll go through some of these location definitions later, but projects that are located in government-restricted municipalities, or a project that gets qualified as a mega project, needs to prove a 200% net positive benefit to the state. For projects that are located in distressed municipalities or transit hub municipalities, we have a requirement of 300% net positive benefit to the state. And for all other eligible areas, it's 400% for the net positive benefit to the state.

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So, how do we measure this? So, the proposed policy for testing is using a program model called “implant” that helps us with our analysis and data set. In that, we will add construction benefits for direct, indirect, as well as induced tax revenue at the state level. For ongoing benefits, we will use, again, direct and indirect revenues at the state level.

The bill also requires us to look at regional multipliers, so we do have one regional multiplier for South Jersey and one for North Jersey. For those that live in Central Jersey, Central Jersey kind of gets split between the North and the South.

The local benefit only will be included if and when they benefit the state and the applicant has to show proof or evidence of it. The net benefit model will use a 2% inflation rate, and currently, it will use a 10% discount rate when we're testing.

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So, what are the job minimum requirements for new jobs and businesses that are primarily engaged in a targeted industry? The minimum is 25 net new full-time jobs to the state of New Jersey, and for any other business, the minimum is 35 net new full-time jobs. For retain jobs in a qualified incentive track or government-restricted municipality, we are looking at 500 retained full time jobs. For all other locations, it's 1,000 or more retained full-time jobs. As Brian mentioned, we are trying to gear this program, or the bill gears this program, for focusing in on a more of the new jobs and some of those significantly large retention jobs.

All jobs must stay above the statewide baseline of jobs, so if you're already in existence here with other operations in New Jersey, there's a baseline of your employee account, and all new would be above that.

At minimum, you must offer health benefits under the authorized health benefits plan and must pay no less than $15 per hour or 120% of the minimum wages. Again, this is to really drive home the fairer stronger balanced approach when looking at salaries.

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So, what's the minimum capital investment that would be required? We booked this out in industrial space, warehouse logistics, or R & D and office space. So, for those that are in the industrial warehouse logistics or R & D, and it's a rehab, it's an improvement, a fit out or retro, the minimum capital investment required is $20 per square foot that the applicant would have to spend.

If it's a new construction, we require at least a minimum of $60 per square foot for the space that they're going to occupy. For office space, for improvement, fit out, or a retro fit, we look at $40 per square foot for the office space. For new construction, for office space, we are looking at $120 per square foot.

If you are able to meet these requirements, but let's say you fall short a little bit on your capital investment, the program has a feature that the old program did not. You can actually put the difference into a recovery infrastructure fund, which was created to provide that capital investment alternative that would benefit the local municipality that the company would be occupying.

For mixed use—oh no, not yet, we can go back—I apologize. I did go out of order a little bit in there. For mixed use buildings and buildings that are near each other, we can actually aggregate the capital investments to meet that requirement. So, if you have a headquarters of facility, and right next door you had an industrial building or an R & D space, you could aggregate the complete investment and put whatever funds in either one and meet the minimum threshold requirements for capital investment.

For those projects that are not proximate—so, in different municipalities that are, you know, further away from each other—each site must meet the minimum capital investment requirement. So, if you were a, let's say, you had an industrial space, the capital requirements for the industrial space would have to be met for that location. And, let's say you had an office space in another municipality. The office space requirement for minimum capital investment would also have to be met.

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Next, I'll be talking about the targeted industries, incentive areas, and bonuses.

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So, there are three ways to be classified as a targeted industry. One, we could look at the applicant project, and if that project is part of the targeted industry, it could be classified as a targeted industry. Two, we could look at the core business to define if it's going to be in a targeted industry. Three, we can actually look at the parent company of the business and be able to determine whether it's in a targeted industry.

NAICS codes are really going to be important. For those who understand what NAICS codes are, they kind of define what your business is. It’s on almost all business tax returns. So, if you don't know what your NAICS code is, you could look it up there.

Some of the targeted industries are listed here. We have a more defined explanation of some of these targeted industries, so I do encourage you all to go to our website to be able to look at each of them. We are looking at advanced transportation and logistics; we're looking at companies that are clean energy, life science, information in high tech, finance, and insurance; we're looking at nonretail food and beverage businesses, including food innovation. So, this program is not geared for retail space or point of sales locations. We do have other programs that we try to assist you with, but for this program, you would not be eligible if you're a retail space, if you're a point of sale space—kind of like a dentist office and such. So, I do again encourage you to review the draft rules for the full definitions of all our targeted industries.

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So, as I mentioned earlier, I was going to break down some of the incentive areas and the geographic locations. So, the Emerge Program actually focuses in on providing the higher award amounts within targeted communities with the greatest level of need. So, here, under government-restricted municipality, we're looking at cities like Atlantic City, Patterson, or Trenton. And the base award for that is $4,000 per new job per year, and the maximum—because you can get some bonuses with this program—the maximum is $8,000 per job per year.

That's the same for mega project and for enhanced areas. Enhancers areas are Camden, East Orange, Elizabeth, Hoboken, Jersey City, Newark, New Brunswick, Passaic, Paulsboro, and Salem. The base award is $3,500 per new job per year, and the max award with all bonuses is $6,000.

We do also have the base award for distressed municipalities. In the distressed municipalities—there are over 25 different municipalities that are listed, so I do encourage you to go to our website for the complete list—the based award is $3,000 per new job per year, and the maximum is $5,000 per job per year.

And, for investment and employment corridors and qualified opportunities zones that are not included in the above, the base award is $2,500 and the max award is $4,000.

For all other eligible areas, the base award is $500 per new job per year and $3,000 is the max award per job per year—and I would say per new job per year.

If you are looking at retention of full-time jobs, then the award is half the amount, so all this gets cut in half. So, if you look at a government-restricted municipality like Atlantic City, Patterson, and Trenton, your base award, instead of being $4,000, would be $2,000

per retained job per year, and the max would be $4,000 per retain job per year. The same goes for every other incentive area.

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So, we looked at bonus credits, and we wrote those down into four different categories. One is providing bonuses based on higher amounts of job creation. And then, second, we've looked at location-based bonuses, and we've provided location bonuses. So, if a facility was located in a municipality with an MRI index score greater than 50, then your award bonus would be $1,000 per job per year. If you were in a marine terminal project in a South Jersey port, $1,500 dollars—so on, so forth.

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The next two areas—the third bucket of bonuses that you could get—is based on the facility. So, if a capital investment is greater than the minimum on lead generation of silver or greater than the minimum of the capital investment, you can get an award. If it's greater than silver or gold lead, you can receive a bonus amount. If you generate 50% of your solar energy on the site that you're using, you can get a bonus of $500. And, if you enter into a labor harmony agreement, you can get a bonus of $2,000.

Now, the next set of bonus credits—which is really key and I thought was important in the Emerge Program that was different from the other previous program—is our policy objective.

We're really trying to look at different policy objectives that we wanted to encourage and provide bonuses for. So, what are those? Those are industry-specific training programs. That is access to childcare, so employees are getting access to childcare for their families. It's being in a targeted industry. It's entering into a partnership with a prison re-entry program. We also looked at diversity bonus, where one-third or more of the members of the business' governing body self identifies as a member of an underrepresented community. And, lastly, we really want to encourage small business, so we've provided a bonus: if you qualify as a small business, $500 bonus credit as well.

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Next, we'll review the fiscal and resident protections that Brian had mentioned earlier, which is the inducement and community benefits agreement.

Next slide, please.

So, inducement. The EDA is required to size the award based on the amount necessary to induce a project to be cited in New Jersey. And so, what does that mean? Well, it means if we are competing with another state, and based on the cost benefit analysis the difference of moving to that state versus New Jersey was $1 million or $5 million, you might qualify for a $10 million award.

Well, there's an amount in there that would induce you to come to the state of New Jersey, instead of providing the full $10 million in an incentive. This really is us being good stewards of the fiscal responsibility that we have for the state of New Jersey. So, we use an induced award calculator that would create this modeling that tells us, “Okay, this is what we are able to offer with our inducement to induce the company to move forward with moving into New Jersey.”

I will tell you the award will never be higher than the max amount that’s allowed. So, if you were allowed $10 million, as an example, in the award calculation, the inducement would be less than that.

How do we look at this? We want to standardize this methodology across every award, so that it was fair and it took away some of the objectiveness to it by providing the qualitative scaling factor on the award size. Percentage calculated award would be at maximum out of 100%, using factors like the size of the net benefit. Is the net benefit so much greater for New Jersey than the award? Well, that should be weighed accordingly and that should be within our self-assessment. Is there a gap between New Jersey and the competing state? The type of location—high priority locations versus a low priority location. The opportunities for the state to capture a leadership role in a targeted industry. Try to attract new growth sectors and industries to move to New Jersey to be an active player and even maybe create a center within New Jersey. There are other considerations that we will also look at, which really comes down to our public policy objectives.

Next slide.

So, this is really exciting because the community benefits agreement requires, as Brian mentioned and I think Tim spoke about it as well, and with regards to getting the involvement of the local municipality with all these awards, projects with a total cost of $10 million or more to enter into a community benefits agreement with the authority and the chief executive of the municipality for each incentive municipality location. So, if you're approved for an award, and let's say for two different buildings in two different locations in New Jersey, and the project costs were over $10 million for each of those

locations, you would have to have a community benefits agreement for those two different municipalities. The municipality has the ability to ask the county to negotiate the agreement and the municipality or the county has to set up at least one community engagement session, and this is imperative, because we want the local residents to be able to speak out and weigh in on the businesses that are moving into their communities, so this was a big lift that we championed in this bill.

The agreement may include requirements for training, employment, youth development, free services to underserved communities in and around the community in which the qualified business facility is located. The municipality or county will appoint a Community Action Committee with at least three members to monitor the agreement's implementation. The Community Action Committee will report out on the progress to EDA once a year. This is important because we want to make sure that whatever agreement and whatever promises were made by the company to the local municipality or county are being implemented, and they are within their agreement, fulfilling each of those agreements each year.

I will now pass it back to Elizabeth to finish our public feedback session. Thank you.

Elizabeth Limbrick: Thank you very much, Matt, Brian, and Tim.

You know, I think there's a lot of really great information there, but now I do want to turn it over to the public. It is your turn to give us your input, and we really are hoping for an engaging session with you.

Prior to us opening this, so for that public feedback, I just want to remind everybody of our policy.

So, please use the raise hand function and, again, I'm going to call on each person with their hand raised in order. We will unmute your microphone, and then you can make your statement.

In order to ensure that, again, that we have time for everyone's voice to be heard, we're going to limit you to three minutes. To make your statement, again, please keep your comments to the matters pertaining to the Economic Recovery Act, the Emerge Program, or the draft rules.

Each member of the public will have one opportunity to provide comments. Ff we have time at the end, and someone wants to provide additional comments, we're happy to provide that opportunity for additional remarks. And, actually, I noticed the slideshow

has disappeared, but I have my notes here, so I can continue to just remind you of what those are. Oh, now you can see it again, and you can see we have the timer on the screen as well. So, we'll be having that to remind you of your three minutes. Again, I'm going to call on those with their hands raised. Once I call on you, we will unmute your microphone, and please share your input.

So, as a reminder, let's get in there and get those hands raised. And yes, this will be posted because I know that's a question that folks often have. So, with that, the first hand raised that I see is Alex Hecht’s.

Alex Hecht: Alright. Thank you. Can you hear me okay?

Elizabeth Limbrick: Yes, we can.

Alex Hecht: And let's see—am I able to go on video, or is it just audio?

Elizabeth Limbrick: I believe it's just audio.

Alex Hecht: Okay, great. So, good afternoon, my name is Alex Hecht, and I'm a research analyst at SEIU local 32 BJ, which is a union of 175,000 building service workers, including 11,000 in New Jersey.

And 32 BJ applauds NJEDA and the state legislature for including a building service prevailing wage requirement in the new Economic Recovery Act programs, which ensures that subcontracted cleaners and security officers at Emerge and for other projects like paid family sustaining wages and benefits. We also appreciate the initiative EDA has taken to increase transparency and community input.

So, as a union of service workers, we know economic development programs can be an important tool for promoting good jobs. Not just for direct employees, but also along the benefit recipients supply chain. However, under past iterations of EDA’s job retention program, large subsidies were sometimes granted to companies with a history of employing irresponsible cleaning and security contractors, including contractors with a record of wage theft and illegal harassment.

In such cases, a prevailing wage requirement is unfortunately not sufficient to ensure good building service jobs. In New York, for example, the legislature enacted a building service prevailing wage requirement in 2008 as part of the 421-A tax benefit for new residential construction, but since then, we've seen a small number of irresponsible contractors repeatedly ignore the law, underpaying workers by hundreds of thousands

of dollars. So, the union is really the most effective enforcement agent when it comes to prevailing wage requirements. We go out, we visit workplaces, talk to workers, gather documentation, and help workers file complaints, which eases some of the administrative agency's burden of monitoring compliance.

But again, what we found in New York is, despite filing multiple complaints and reaching some significant settlements, we continue to encounter the same few repeat offenders. Irresponsible contractors and these violations could have been easily avoided had the benefit recipient simply hired a responsible contractor to staff the buildings.

So, we'll submit written comments with detailed proposals to enhance transparency to try to prevent this kind of law-breaking behavior at Emerge projects. Here, I would just like to make a few key points.

First, we believe that NJEDA ought to consider applicants' labor record, including any history of employing irresponsible service contractors, in determining whether to approve benefits. Unions worker advocacy organizations and the workers themselves, we think, are best positioned to alert EDA to troubling aspects of an applicant's record.

In other words, EDA will only be as informed as community members regarding the applicant. And we believe this means that there should be ample public notice in advance of board meetings at which an application will be reviewed. Notice that includes disclosure of the companies or individuals with an ownership interest in the applicant entity, along with other significant project details.

Again, we will submit written comments with more detail, and thank you very much for your time.

Elizabeth Limbrick: Thank you very much. Those were very thoughtful comments, and we do look forward to getting your written comments as well.

The next hand I see raised is Bill O'Dea's. I believe this is the honorable Bill O'Dea.

Bill O'Dea: Hello.

Elizabeth Limbrick: Hello, we can hear you.

Bill O'Dea: I don't know how honorable I am, but I appreciate it. Yeah, a couple of comments and then a bunch of questions that I didn't want to put in the Q & A because I didn't want to get a—

Brian Sabina: Bill, it appears you are on mute again, so maybe you can just pause and we will unmute you, so you can start again.

Kelly Dombrowski: Bill, it should be coming up as “asked to unmute” and—

Bill O'Dea: Can you hear me now?

Elizabeth Limbrick: Yeah. Start again.

Bill O'Dea: But, so yeah, my first comment is that awardees, there should be some type of a process that you review the location they're moving into. And if the location they’re proposed to move into, whether it's new construction or a rehabilitation, if the owner or developer of that site is an entity that is in default to the state of New Jersey on any funds, that they disqualify that. I know that was put in a few years ago for general awardees but, obviously, since in this case, most of them are tenants, that could become an issue.

As it relates to multiple awardees, I'm concerned that you have a very strong overview to ensure that projects don't get over enriched. To give you an example, you get an anchor institution that, say, develops an innovation center, and they get a 40% subsidy on that innovation center. Then, their tenants come in, and, if they're located in one of the cities or a mega, they get a max award of up to $6,000 or $8,000 per employee. My concern is that if someone doesn't look at those together, because they're not going to happen at the same time necessarily, we could be over enriching that project. So, safeguards are needed in that.

On the CBA, I have several questions. Will the EDA and the city municipality both have to approve and be signatories to the CBA? Will the community engagement meeting require a written public notice, so all members of the public are aware of it? Will the local governing body have to pass a resolution, authorizing the execution of the CBA? How will CBA be enforced? Are there penalties, and will those penalties include a total forfeiture of the award going forward as well as a recovery going backwards if they fail to comply in any way, shape, and form with it? And lastly, to what degree will you assess the impact on an award to the properties that may be vacated by it.

I cite, in the past, the Grow program. Goya and Panasonic, in one case, they moved less than a half a mile away. But, in both cases, large vacant buildings were left as a result of that. I think that someone needs to look, as part of the overall program, what happens to those buildings, and can those buildings be the first option before these new buildings are looked at?

And that’s all that I have. Thank you.

Brian Sabina: Elizabeth, I'm happy to jump in and clarify where some information on questions like the last can be found. One, no doubt, another view of location disqualification if the landlord is in default, we will certainly take that under consideration.

As it relates to multiple awardees and references of nesting multiple programs together, the scope of this session is Emerge, but we know that the Governor and Tim and others want stacked wins. We think that's a good thing, but we have to be careful.

Per Mr. O’Dea’s question, factors that are involved in the Anchor or Aspire programs—there are, kind of, look-backs that will say we provide gap financing based upon a pro forma that looks forward.

If those predictions are off in a good way, right, if the project is much more successful than originally anticipated, the state does have the ability to recoup or call back some of those tax credits on that side of the program. On the Emerge side of the program, I think it is inherent in the cost benefit analysis, so presumably if the state has come in and helped subsidize a program to build a facility, that facility’s rental rates will be lower than they would have otherwise been, and that will get factored into the cost benefit analysis. So I think that it's a point taken, but we'll have to look at the protections that are across a number of the different programs, but it’s certainly on our mind.

Relative to the CBA, we just have a number of clarifying questions. Yes, it's the municipality and the company and the EDA who signs the CBA. There is indeed requirements for written public notice as per the open public meeting act for the public engagement session.

In terms of who signs the agreement and what requirements are there relative to a governing body, the current regulations specify that it’s the executive of the municipality.

In terms of penalties, I have to refer you to the full regulations, but there's a set of—there's a whole process that would look at (1) if there's disagreement to whether or not the CBA has been fully implemented and (2) how you adjudicate that and as part of the CBA required qualification of all commitments in the CBA, which helps us get to monetary penalties, whether that is specific to a part of the CBA that wasn't implemented, or it is large enough that we would consider holding back or canceling a

whole year’s worth of tax credits. So I refer you back to the CBA section of the regs. It actually outlines that, in relative detail.

Elizabeth Limbrick: Thank you. This is a great company. The next—

Brian Sabina: I’m sorry, can I ask one more question? Relative to the question about vacating facilities and potentially moving down the street, I think one of the features—and I refer you to the ranks and the program design—is that the program dis highly focused on new job creation, as opposed to retention. Not to say that we are completely out of the retention world, but the numbers are large, so that certainly is part of it to some degree, relative to the moving down the street.

Elizabeth Limbrick: Excellent. So the next question comes from Tom Bracken. Tom, we’ll be unmuting you, and you can ask your question.

I think—can we unmute Tom?

Kelly Dombrowski: We are unmuting him now. It should be popping up saying “asked to unmute,” and you just have to click “yes.”

Tom Bracken: Can you hear me?

Elizabeth Limbrick: Yes.

Tom Bracken: Okay, great. Thank you very much. First of all, great overview of the program. I really appreciate learning more about it.

You know, I think the comment I would make is that, as all the states emerge from the pandemic, we all have uphill battles we have to climb for economic recovery. And every state is going to be going after new jobs—new businesses coming into the state—which mandates that we need to be competitive. We need to be business friendly, and we need to have ease of access to our programs.

I can only assume that our terms and conditions are competitive with other states. The business friendly aspect is something that is more than just the EDA. That's a joint effort on many parts of government and business to create that. But the question I have—or the comment I have—is about the ease of entry to this program. I watched and listened to the overview today. It just seems like a very convoluted, difficult process to navigate to find out if you can apply, where you can apply, how much you get. There's just a lot of different things involved in applying, and I'm wondering if we have looked at other

states to see if their ease of entry to this application process is any different than ours, and if my assumption that ours is difficult is going to be addressed if we find that we are not as easily accessible as other states. So those are my comments, and I'll turn it back to Brian if you want to give a reply to that.

Brian Sabina: Yeah. Thank you, Tom, for your comments—thoughtful, as always, and we appreciate the partnership of the Chamber as we look to grow our economy coming out of, or through the back end and then coming out of the pandemic and the resulting economic impacts.

I think, as a point of clarification, I agree with you that there are a lot of learnings that I will say have been built into this program at the statute level, which creates complexity. I fundamentally believe that our job as the EDA, as implementing agency for these programs, is to help make that complexity easier to understand, easier to interpret—giving applicants the right information at the right times to help guide them along this path.

Hopefully, yeah, the ERA website is an indication of the more user-friendly way that we're looking to implement these programs. You'll see additional tools, as Emerge gets rolled out—things such as mapping tools, kind of, like, public-facing award calculators where you kind of test out different projects and see what happens. We will be using some online tools to help do some basic eligibility assessments—kind of yes/no questions—taking a lot of the learnings that we learn from the COVID response about how we should operate at scale and create transparency and clarity for customer experience.

So I'm right there with you in terms of that. I think, for us, democratizing tax incentives for large companies, small companies, those who use consultants, those who use their own employees is an important feature, for us, and something we're striving for.

Elizabeth Limbrick: Thank you, Tom and Brian, for that. I want to remind folks from the public: all you have to do is raise your hand to get in line to give us your statement. If you have put anything into the Q&A, just to remind you, we will not be reading those aloud. So if you did want to share your thoughts, you can go ahead and raise your hand and make your statement as well there. But we will have a transcript of everything in the Q&A.

The next hand I see raised is Mike M. Mike, we're going to unmute you, and you can go ahead and make your statement, please.

Mike M: Can you hear me?

Elizabeth Limbrick: Yes.

Mike M: Good afternoon, and I want to thank EDA for having this listening session, as well as the opportunity to ask a question. Hopefully, it's not a stupid question.

I'm looking at the EDA's draft rates PDF file, and on page 15, next to last paragraph, it talks about designated areas, pursuant to the state planning at public law in 1985. And on the EDA's website, PA 1 metropolitan is pretty well defined with government-restricted municipalities, distress municipalities, enhanced municipalities, hub zones, and they're all listed by town on EDA's website. I guess the question I have, and if I'm thinking what I read is correct, the next is PA 2 suburban.

Obviously, suburbia is a pretty large swath of New Jersey, and it looks like it's governed by the employment investment corridor. And will that definition let determine whether a suburban town is in or out of the Emerge program and, if so, will it be a list of corridors and municipalities?

Brian Sabina: Yeah, Mike, anything else? Or else I'm happy to jump in.

Mike M: No, go ahead, Brian.

Brian Sabina: Mike, I appreciate your partnership, and it's not a silly question at all.

Yeah, there's a number of geographies that are quite clear cut for us that you'd be able to assess and list out very easily by municipality, and we've tried to do that as quickly as possible, for the sake of transparency. As you've kind of narrowed in on, the investment corridor overlaps with some of these other features, including you know, port areas and such. Again, a lot more complicated for us to actually just list out a municipality. It is a chunk of municipalities, and we get down to census tracks in certain places and we get down to specific radius around specific assets in some places.

That's really a mapping exercise and we're in the process of kind of building out those maps that we can make it clear what's in and out of those areas by kind of—imagine a map with several layers of commentary that would show those different areas. That last area that you're speaking about, which is hard to define in words would be one of the layers on that.

Elizabeth Limbrick: Thank you for that. Our next question comes from Steve Milgrom. Steve, we'll be unmuting you, and then you can make your statement.

Steve Milgrom NJBAC: Thank you, I hope you can hear me. Thank you, all. I just, you know, somebody from Newark, who grew up in and was born and raised in central New Jersey, I just wanted to give a shout out to the other central New Jersey people—we exist.

But that isn't my question. I was wondering about the net benefit test for small businesses. Will it be the same as for larger businesses? And, if so, my comment is to think about maybe trying to lower that number for small businesses. And that's really my question, thank you.

Brian Sabina: Steve, yes, thanks for your question. And thanks for your partnership, Steve. We appreciate everybody at the back. We are sure you're getting lots of questions, or similar questions, from the public on some of these new programs. The net benefit test for small businesses—the statute does not provide us additional accommodation for net benefit percentages specific to small businesses. It's certainly an interesting concept, and I understand where you're coming from. In terms of those requirements, especially in a world where there is no required capital investment, the net benefit to the state might be a largely limiting factor for size rewards.

But we don't have the ability to, kind of, give it a different test or to use a different methodology or a different level. The law is pretty specific that there's only one methodology and that there are prescribed percentages that are geography based or mega project based for what they're requiring net back thresholds are.

Steve Milgrom NJBAC: Well, you know, thank you, Brian. Thank you all for what you do, and I look forward to a positive future here.

Brian Sabina: Thanks, Steve.

Elizabeth Limbrick: Thank you, um, so, right now, I don't see any additional hands raised, but I'm going to give it a minute, and I did want to remind folks that, again, if you put something in the Q & A, but you would like to make a statement, you can go ahead and raise your hand and, you know, we'll give you an opportunity to do that. We did mention earlier as well that, if time permitted, we could go back and have people make additional comments because we are limiting you to the three minutes, and it seems that we will have additional time. So, with that said, I do see a few more hands that have come up. So, next up is Keith Schneider.

Keith, you should be able to go ahead and make your statement now.

Keith Schneider: Good afternoon, so my question is more about timing and just trying to understand, you know, there's still some time for you guys to work things out on your end. And, what sort of timing should we expect for the process, the due diligence, and the team to take on? Because I would imagine there will be an onslaught from the beginning when we were in a situation where, you know, we're looking one year down the road of moving to a new premise and we're doing our work now. But, not sure if this is something that you're gonna be able to accomplish in the next 90 days or 20, or whether it's going to be longer, so just, small business with lots of outside questions.

And we are currently being chased by other states, so, of course, they're not really going to work with the New Jersey timing. But, we, you know, we're rooted in Jersey. That's all. I only used a minute.

Brian Sabina: Keith, first, thanks for being located here in New Jersey and for resisting all of those unwanted, unsolicited outreaches by those other states. We appreciate everything you do and the jobs you create, the commitment you have to our state.

In terms of timelines for this program, it's actually a great piece of feedback. We may want to add that to this presentation—for our team that’s listening.

We have committed, and it’s indicated on the ERA websites, that this program is targeted to go to our May board. The period of time after that is governor veto period, and after that governor veto period, it's about 10 business days after that we generally can start to operationalize a program.

We fully intend to have a version of the application open under immediately effective regulations or special adoption regulations by end of May, early June. Folks are welcome to apply at that point, and then we will also simultaneously be going through the kind of the formal APA (Administrative Procedures Act) regulatory review process in the formal comment period during that time. So, we will, kind of, take a dual path after NJEDA’s May board meeting.

In terms of staffing capacity and, kind of, our cycle times after that application is open, you know, historically, it's been anywhere from one to four months or so to, kind of, really review and work with the applicant and get a project assessed by our board.
We would certainly hope that we'd be on the shorter time frame of that by the time the program is fully up and running. There may be some learning curve toward the

beginning and, if you're looking at, yeah, making a decision for a move in a year from now, I think we're in an okay situation.

I would, for everyone who's interested in applying early, there is an expression of interest form on the ERA website right now, specifically, for folks who are interested in ERG applications or Emerge applications, please do go there, put in some information, and we'll have a member of our team reach out to you and start having a more specific conversation about your practice.

Elizabeth Limbrick: Terrific. Next question is from Chrissy Buteas. I hope I got your last name right. You can go ahead and make your statement.

Christopher Emigholz: Sorry, Elizabeth. Actually, it's Chris Emigholz from NJBIA. I think I was on a Zoom with Chrissy and sharing her account, so apologies.

Thank you, Brian. Thank you, Elizabeth. Thank you, Tim, for the great information. There's a lot of great stuff in here. The ability for this to be a transformative tool for our economy is definitely there, and we're excited about that.

I did have a question about the remote work changes that we're seeing to our economy, and I think there's some things in these rules that is definitely acknowledging that, and we even saw it at the EDA board meeting this morning.

Just talking about that with the NOL tech transfer stuff. And, we appreciate all the flexibility that you did give on that and with one we see at the QBF that maybe you don't need to always be at the QBF because you're associated with it as long as you're in New Jersey.

And I think that probably is some acknowledgement of the changing to the workforce and remote aspects. But then the other thing we see, and it's a little worrisome and we're hearing from members about this is, in the new law you had to have accommodations to cover half of the workforce. And yet, in the rules, it seems to go a little beyond statute and said, half the workforce, but you also have to go back and cover these other two things based upon who has been the workforce, when you apply.

And that's something that could be concerning to some. Just wanted to see where you guys are on that need for remote flexibility and understanding that the workforce, over the next few years during this Emerge program, might be a little different than it was a couple years ago.

Brian Sabina: I'm—quick, could you help, before we, kind of, pause your time, and I answer your question, could you clarify that last part? The part that is the statement or question around what is concerning the— you said, in addition to the ad or associated with— there are other requirements. Can you just be more specific there?

Christopher Emigholz: Yea, so in the follow up, I'm on page 26. It's D on 26 in the middle of the page. So, the statute said a business shall providing here to a plan demonstrates that the QBF is capable of accommodating more than half of the business's new or retained full time employees. And as determined by the EDA and sole discretion by considering square footage.

And so that's almost exactly what the statute is, but then, it says, except for the business shall also satisfy the requirements in C4 and C5 above of business acumen tax credits for any retained, full time jobs, and the above is, sort of, going backwards and not really acknowledging the remote aspects of the new workforce because of the pandemic. And, we don't know what's going to emerge after the pandemic is done, so I think it's just a little concern there and just wanted to see, just in general, where you guys are in terms of that need for remote flexibility that some businesses might have going forward.

Brian Sabina: So, yea. So, thanks to both Chris and Christina's team. We appreciate everything you all are doing to represent the small businesses here in our state and appreciate what you're doing to help push and grow the economy and focus on the right issues. Yeah, as you said, the nexus of this legislation—for those who are involved early on in the process, that the nature of work was evolving. I think that has been exacerbated, depending on how you think about it due to the COVID-19 pandemic.

The law is very clear that it requires us to have two bars. One, that anybody who's incentivized must spend at least 80% of their time in the state. And then, to that, the physical space that the capital investment that the project utilizes needs to be at least able to accommodate 50% of the incentivize jobs. We've tried to provide as much flexibility as we thought that the law allowed for, while also still appreciating that there are many parts of the law based on geography. We need to, kind of, strike that line, so you will see that QBFs have to be 50%. You are allowed to have additional up to 50% of a project's staff associated with that QBF. You know, not having to sit there all the time, but it's tagged. If you have that QBF, you will notice that, for anybody who is tagged, we are going to require that it's clear that they're spending at least 80% of their employment time in the states. We believe that that's that physical nexus in the states that brings us broader economic benefits inherent to our net benefit tests in our CBA approach.

You'll also notice that, as we assess bonuses, there's some language in there that says, “look if somebody is not physically at the QBF, it's hard for us to give a bonus to that person if they don't—if a project is in Trenton, and they're getting government-restricted municipality bonus, it's hard for us to give a bonus for that job if that job doesn't have a seat at that facility. So, you'll see some nuance is added in the regulations there.

And relative to retains jobs—I think this goes a little bit back towards one of the questions that we had before. So, that kind of exception that you're referring to is fairly narrowly tailored to specifically retention projects. It says look, “if you are in a retention project, you might have slightly different rules, and if you are in a new jobs project that's also consistent with the law, and that, if you're kind of moving from one location to another within the stage, we're going to have to work with you on getting right the size of that capital investment and the size of the pick-up of the qualified business facility.”

Christopher Emigholz: Thank you, Brian.

Elizabeth Limbrick: Thank you, um, right now I don't see any additional hands raised. So, unless any come up in the next second or two, I think we can transition to the next slide.

Brian Sabina: Hey, um, Elizabeth, if I can just make one more shout out for those, sort of—I saw some questions in the Q & A around targeted industries. If you do go to this website, you can download a full copy of the rules that folks are referring to. And in the back of that document there are definitions of the target industries. What was included in the law, the original list of target industries, was obviously the legislature's intent, and we have not strayed from that as a starting point. So, we've used that as a departure point but do recommend folks take a look at those definitions.

Elizabeth Limbrick: Absolutely agree. Please go to our website. It's right there: NJEDA.com/emerge-feedback. Again, you can download everything you saw today—the draft rules, as Brian said. We will be posting the recording of this presentation there, and of course, the portal for your feedback is there as well. And then, in addition to that, if you—I don't see it actually up on this slide, but if you go to our website NJEDA.com/economicrecoveryact, you can get information again about all of the programs under the Economic Recovery Act.

Please send this information to your colleagues, to your friends, to anyone else you know that is interested in this topic and encourage them to take a look at it and provide that input. You know, this only works because you are willing to engage with us on this level and, you know, without that we wouldn't really be able to push forward the

rulemaking and launch of these programs in the way that we are, so, you know, we are just incredibly grateful for that.

A great conversation today! Really great comments. We just appreciate everyone's engagement, and, with that, I'd like to thank our presenters, our back-office staff who helped us put this together, as well as all the members of the community that participated today. So, thank you, and this concludes today's session, please have a great evening.