

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: K2 Integrity
Quarter Ending: September 30, 2025
Expected Engagement End Date: December 31, 2026

A. General Info

1. Recovery Program Participant:

New Jersey Economic Development Authority (“NJEDA”).

2. Federal Funding Source (e.g. CARES, HUD, FEMA, ARPA):

American Rescue Plan State and Local Fiscal Recovery Funds (“ARP SLFRF”).

3. State Funding Source (if applicable):

State Appropriation Local Property Acquisition Fund - \$704,742.

4. Deadline for Use of State or Federal Funding by Recovery Program Participant:

December 31, 2026.

5. Accountability Officer:

Elizabeth George-Cheniara, Director Legal Compliance.

6. Program(s) under Review/Subject to Engagement:

Activation, Revitalization, and Transformation (A.R.T.) Real Estate Rehabilitation and Development (RERD) and Public Space Activation Program.

7. Brief Description, Purpose, and Rationale of Integrity Monitor Project/Program:

The purpose of the Activation, Revitalization, and Transformation (A.R.T.) Program—comprising the Real Estate Rehabilitation and Development (RERD) and Public Space Activation (PSA) components—is to stimulate economic growth and community revitalization in New Jersey’s commuter hub cities, specifically Newark and Atlantic City. The program aims to

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invest in commercial corridors that generate local employment, support small businesses, and enhance public spaces to improve quality of life for residents. Through the RERD component, the program provides grants for commercial or mixed-use real estate rehabilitation, new construction, and property acquisition. The PSA component supports nonprofit-led initiatives such as placemaking, public art, streetscape improvements, and community events. Together, these efforts are designed to circulate money within local economies, activate underutilized spaces, and foster inclusive, vibrant urban environments.

8. Amount Allocated to Program(s) under Review:

\$28,173,685

This includes \$5 million from the Casino Reinvestment Development Authority (CRDA) and \$22,468,943 from the New Jersey Department of Community Affairs (DCA) for the broader ART Program. Of that amount, \$704,742 is from FY 23 State Appropriation Local Property Acquisition Fund. Additionally, \$3 million is specifically allocated to support the PSA component.

9. Amount Expended by Recovery Program Participant to Date on Program(s) under Review:

\$9,507,835 as of September 2025 noted in current balance on CRM and \$28,173,684.99 as of September 2025 noted in amount balance on CRM for Products with a Closed and Closing Status.

10. Amount Provided to Other State or Local Entities:

N/A.

11. Completion Status of Program (e.g. planning phase, application review, post-payment):

The program has moved into the implementation phase with approvals and some disbursements however, a significant portion of the funding is

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still pending distribution, and oversight activities are actively being planned and executed.

As of September 2025, the status of the Activation, Revitalization, and Transformation (A.R.T.) Program is as follows: Thirteen (13) RERD applicants have been approved, 9 in Newark and 4 in Atlantic City. Six (6) grantees have received 50% of their funds.

Four (4) Public Space Activation (PSA) applicants have been approved, and funds have been disbursed to four (4) participants.

The application period closed on Tuesday, August 22, 2023. All projects must be fully completed by December 31, 2026.

12. Completion Status of Integrity Monitor Engagement:

On-going.

B. Monitoring Activities

13. If FEMA funded, brief description of the status of the project worksheet and its support:

a) IM Response

N/A.

b) Recovery Program Participant Comments

N/A.

14. Description of the services provided to the Recovery Program Participant during the quarter (i.e. activities conducted, such as meetings, document review, staff training, etc.):

a) IM Response

The Monitor reviewed CRM for sub-recipient grant applications and selected a risk-based sample using both random and judgmental sampling to ensure adequate coverage and identify potential red flags.

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In separate task orders, the Monitor notes that the NJEDA staff updated key policies within the last year, as well as underwent organizational changes. The Monitor reviewed the updated organizational chart, policies and procedures, as well as documentation related to applicant evaluation and program funding allocation processes. Additionally, the Monitor gained an understanding of the implemented risk mitigation measures concerning program administration, applicant selection, funding allocations, and evaluation criteria to ensure fairness and compliance with regulatory guidelines. This understanding, coupled with the Monitor's review of reporting documentation, indicates that program-wide progress reporting has been thoughtfully considered and that programs are generally well-monitored.

b) Recovery Program Participant Comments

N/A.

15. Description to confirm appropriate data/information has been provided by the Recovery Program Participant and description of activities taken to review the project/program:

a) IM Response

See response to Question 14.

b) Recovery Program Participant Comments

N/A.

16. Description of quarterly auditing activities conducted to ensure procurement compliance with terms and conditions of contracts and agreements:

a) IM Response

See response to Question 14.

b) Recovery Program Participant Comments

N/A

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17. If payment documentation in connection with the contract/program has been reviewed, provide description.

a) IM Response

N/A.

b) Recovery Program Participant Comments

N/A.

18. Description of quarterly activity to prevent and detect waste, fraud, and/or abuse:

a) IM Response

See response to Question 14.

b) Recovery Program Participant Comments

N/A.

19. Details of any integrity issues/findings, including findings of waste, fraud, and/or abuse:

a) IM Response

None.

b) Recovery Program Participant Comments

N/A.

20. Details of any other items of note that have occurred in the past quarter:

a) IM Response

None.

b) Recovery Program Participant Comments

N/A.

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21. Details of any actions taken to remediate waste, fraud, and/or abuse noted in past quarters:

a) IM Response

N/A.

b) Recovery Program Participant Comments

N/A.

C. Miscellaneous

22. List of hours (by employee) and expenses incurred to perform quarterly integrity monitoring review:

a) IM Response

Bradley Sussman	0.00 hours, no expenses
Tejah Duckworth	0.00 hours, no expenses
Michael Bernstein	0.00 hours, no expenses
Naomi Pena	3.75 hours, no expenses
Michael Quevedo	0.00 hours, no expenses
Lucy Gonzales	0.00 hours, no expenses
Bruce Archer	0.00 hours, no expenses

b) Recovery Program Participant Comments

N/A.

23. Add any item, issue, or comment not covered in previous sections but deemed pertinent to monitoring program:

a) IM Response

None.

b) Recovery Program Participant Comments

None.

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Name of Integrity Monitor:
Name of Report Preparer:

K2 Integrity
Tejah Duckworth



Signature:
Date:

09/30/2025