

**New Jersey Commerce Commission  
January 16, 2008  
Board of Directors Meeting Minutes**

**Members of the Board Present:**

Gary Rose, Designee for Governor Corzine; Marilyn Davis, Designee for Commissioner David Socolow; Jane Oates, Designee for the Commission on Higher Education; Gary Sondermeyer, Designee for Commissioner Lisa Jackson; Jim Lewis, Designee for Commissioner Kris Kolluri; and Sang Kim, Public Member.

Also present at the table were Kevin Drennan, Executive Director; Laura Rivkin, DAG; and Maggie Manza, Board Secretary.

**Minutes:**

The meeting was called to order at 10:15 am.

**Open Public Meetings Act Statement:**

Maggie Manza announced that this was a regular meeting of the New Jersey Commerce Commission and that adequate notice of this meeting has been provided in accordance with the Open Public Meetings Act. On January 9, 2008, notice was mailed to the Star Ledger, the Trenton Times, the Trentonian, the Courier Post, the Atlantic City Press, the Bergen Record and the Home News. Notice has been duly filed with the Secretary of State and posted on the Secretary of State's bulletin board at the State House.

**Resolutions:**

**Res. No. 08-62**                      Approves amendments to Commission By-laws

Mr. Drennan described the amendments to the Commission By-laws, which include adding the State Treasurer to the Commission's Board of Directors, clarifying that the Board appoints the Executive Director of the Commission and clarifying that the Board does not possess all of the powers that were formerly granted to the CEO and Secretary of the Commission. These changes were prescribed by P.L.2007, c. 253, a law enacted on January 4, 2008 which reorganizes the Commerce Commission.

**Mr. Sondermeyer made a motion to approve Resolution NJC08-62 and Dr. Kim seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-63**                      Leone Industries – Approves Renewal of Urban Enterprise Zone Energy Sales and Use Tax Exemption

Mr. Drennan described the resolution to approve Leone Industries' UEZ Energy exemption renewal. Leone Industries is a manufacturer of glass containers for the food

industry in the Bridgeton UEZ. The estimated annualized U-STX benefit to Leone Industries is \$850,000. Leone has 317 employees, 85% of whom are involved in the manufacturing process. This represents an increase from 311 last year – an increase of six overall but an increase of 11 manufacturing jobs.

**Ms. Davis made a motion to approve Resolution NJC08-63 and Dr. Kim seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-64**

Approves adoption of amendments to the BRRAG Tax Credit rules

Lauren Moore described the resolution to approve the adoption of amendments to the BRRAG rules. In August the proposed amendments were approved by the Board for publication in the *NJ Register*. The amendments change the definition of “business” in three subchapters to clarify that under the BRRAG Act, a “business” may include affiliated groups of corporations, partnerships and other organizations. The purpose of the amendments is to clarify that groups or organizations under common control (as defined in the Internal Revenue Code) may count all of their “retained” employees together to qualify for BRRAG benefits, when separately these groups may not have enough retained employees to qualify.

**Mr. Sondermeyer made a motion to approve Resolution NJC08-64 and Ms. Oates seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-65**

Station Plaza Newark Downtown Core Urban Renewal Company, LLC (Station Plaza) – Approves Brownfields Application

Mr. Moore described the Station Plaza Brownfields project. The central attractions of the project site are the 18,000-seat Prudential Center arena and a 250,000 square foot hotel with 350 first-class, full-service rooms. The hotel has a 33,000 square foot conference center, spa/fitness amenities, 11,000 square feet of retail space and a 150-car structured parking garage. The hotel development is expected to break-ground in 2008 and to commence operation in 2010. The recommended reimbursement is up to \$7,125,000 (75% of \$9,500,000 in remediation costs).

**Dr. Kim made a motion to approve Resolution NJC08-65 and Ms. Davis seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-66**

McLean Blvd. Retail Center, LLC – Approves Brownfields Application

Mr. Moore described the Brownfields project, in the Paterson UEZ, to develop a

Lowe's with a garden center and two retail buildings comprised of a Pep Boys and a Micro Center. Following development, the project is expected to generate over \$47.5 million in gross sales. The recommended reimbursement is up to \$2,346,000 (75% of \$3,128,000)

**Mr. Sondermeyer made a motion to approve Resolution NJC08-66 and Dr. Kim seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-67**

K. Hovnanian at Hudson Street Urban Renewal Company, LLC – Approves Brownfields Application

Mr. Moore described the Brownfields Application of K. Hovnanian for up to \$715,910 reimbursement of Brownfields clean-up costs for a Jersey City redevelopment project to build two high-rise buildings.

Last month, the Board tabled this project to review K. Hovnanian's affordable housing obligation. The company has satisfied its affordable housing obligation by paying \$646,371 to Jersey City in lieu of providing affordable housing for the project.

**Ms. Davis made a motion to approve Resolution NJC08-67 and Ms. Oates seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-68**

Lucky Bear, LLC – Approves Brownfields Application

Mr. Moore explained that the project site in Elizabeth and Linden is a “Portfield” site, recognized by the EDA and the Port Authority for its potential to bring jobs, investment, and economic activity to the Port District. The site is planned for redevelopment into a cold storage warehouse for Preferred Freezer Services, LLC. The building will have a footprint of 198,000sf and will encompass a total of 5.5 million cubic feet of space.

**Dr. Kim made a motion to approve Resolution NJC08-68 and Mr. Sondermeyer seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-69**

State Street Bank – Approves BRRAG Application

Mr. Moore described the BRRAG Application of State Street Bank & Trust Company and Princeton Financial Systems. The company employs 675 people in Princeton, New Jersey. Of these positions, 508 are eligible for BRRAG benefits. The company is consolidating two locations/sites into one facility either in New Jersey or Pennsylvania. If the project moves forward in New Jersey, SSB Realty LLC, on behalf of State Street Bank & Trust Company and Princeton Financial Systems, will enter into a 10-year lease

beginning in May of 2009 for approximately 160,000 sq of office space. In addition to retaining jobs, 100 full time positions will be created at an average salary of \$73,000.

Mr. Moore told the Board that Commission staff found that the company's legal disclosures reveal no cause for disqualification or debarment from participation in this program.

**Ms. Oates made a motion to approve Resolution NJC08-69 and Dr. Kim seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-70**

Economic Development Site Fund - Burlington County Revolving Loan Program - Approves the Village Properties Urban Renewal, L.L.C. and Dietz & Watson, Inc. loan Application

Mr. Moore discussed the resolution to approve a \$2 million loan from the Corridor Revolving Loan Fund, administered by Burlington County, to Village Properties Urban Renewal, L.L.C. and Dietz & Watson, Inc. for the acquisition of property and the creation of a meat distribution plant.

Last month, the Board tabled this project to determine whether an environmental assessment of the property had occurred and the status of any assessment and/or cleanup. We now know that the property, formerly farmland, has received a clean Environmental Site Assessment. Mr. Sondermeyer expressed being reassured by the environmental assessment.

**Mr. Sondermeyer made a motion to approve Resolution NJC08-70 and Dr. Kim seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-71**

MRS Associates – Approves BRRAG Application

Mr. Moore discussed the BRRAG Application of MRS Associates. MRS employs 408 people at two locations in New Jersey – one in Cherry Hill and the other in Parsippany, Morris County. This project would entail relocating approximately 380 eligible jobs (along with 80 employees living in Pennsylvania) from the company's current address at 3 Executive Campus, Suite 400, Cherry Hill, to 1930 Olney Avenue, Cherry Hill.

Mr. Drennan noted that MRS is currently participating in the Business Employment Incentive Program (BEIP), however, the company wishes to withdraw from the BEIP program contingent upon approval of its BRRAG Application.

**Dr. Kim made a motion to approve Resolution NJC08-71 and Ms. Davis seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-72**

Approves Minutes of December 18, 2007 Board of Directors Meeting

**Ms. Davis made a motion to approve Resolution NJC08-72 and Dr. Kim seconded the motion. The motion was approved by a 6 - 0 vote.**

**Res. No. 08-73**

Approves Minutes of August, September and October Board of Directors Meetings

**Mr. Sondermeyer made a motion to approve Resolution NJC08-73 and Ms. Davis seconded the motion. The motion was approved by a 6 - 0 vote.**

**Public Comment:**

There was no public comment.

**Adjournment:**

Ms. Davis made a motion to adjourn the meeting and Mr. Sondermeyer seconded the motion. The motion was approved by a vote of 6 – 0 and the meeting was adjourned at 11:00 am.