

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

January 15, 2013

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Jim Leonard representing the State Treasurer; Hal Wirths, Commissioner of the Department of Labor and Workforce Development; Nancy Graves representing the Commissioner of the Department of Banking and Insurance, Colleen Kokas representing the Commissioner of the Department of Environment Protection; Public Members: Joseph McNamara, Vice Chairman; Marjorie Perry, Larry Downes, Harold Imperatore, Elliot M. Kosoffsky, Second Alternate Public Member; and Brian Nelson, Third Alternate Public Member.

Present via conference call: Public Members: Richard Tolson, Charles Sarlo, and Ray Burke, First Alternate Public Member.

Also present: Michele Brown, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Bette Renaud, Deputy Attorney General; Brett Tanzman, Governor's Authorities' Unit; and staff.

Absent: Matt McDermott representing the Executive Branch; and Rodney Sadler, Non-Voting Member.

Chairman Koepp called the meeting to order at 10 a.m.

Pursuant to the Internal Revenue Code of 1986, Ms. Brown announced that this was a public hearing and comments are invited on any Private Activity bond projects presented today.

In accordance with the Open Public Meetings Act, Ms. Brown announced that notice of this meeting has been sent to the *Star Ledger* and the *Trenton Times* at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State's bulletin board at the State House.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the December 11, 2012 meeting minutes. A motion was made to approve the minutes by Mr. Kosoffsky, seconded by Ms. Perry, and was approved by the 12 voting members present.

Commissioner Hal Wirths abstained because he was not present.

The next item of business was the approval of the December 11, 2012 executive session meeting minutes. A motion was made to approve the minutes by Mr. Kosoffsky, seconded by Ms. Perry, and was approved by the 12 voting members present.

Commissioner Hal Wirths abstained because he was not present.

FOR INFORMATION ONLY: The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.

BOND RESOLUTIONS

The next item was to approve the resolution approving the 2012 carryforward request for unused private activity bond volume cap and authorizing the Chief Executive Officer to file Form 8328 with the IRS.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

STAND ALONE BOND RESOLUTIONS

PROJECT: AZ Holdings, LLC **APPL.#37820**
LOCATION: South Amboy/Middlesex
PROCEEDS FOR: Building and Land Acquisition, Renovation
FINANCING: \$1,350,000 (Max) Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Beth Medrash of Asbury Park, Inc. **APPL.#37907**
LOCATION: Lakewood Twp/Ocean
PROCEEDS FOR: Refinance existing debt
FINANCING: \$2,275,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: The Freehold Young Men's Christian Association **APPL.#37786**
LOCATION: Multi City/Monmouth
PROCEEDS FOR: Refinance existing debt
FINANCING: \$5,300,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PRELIMINARY RESOLUTIONS

PROJECT: Continental Airlines, Inc. **APPL.#37905**
LOCATION: Newark City/Essex
PROCEEDS FOR: Building construction
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

LOANS/GRANTS/GUARANTEES

ITEM: New EDA Partner Lending Program with TD Bank
REQUEST: To approve (i) a new affinity program between TD Bank and the Authority to be called "TD Bank New Jersey Advantage Program", and; (ii) The Agreement between TD Bank and the Authority, and to authorize the execution of the Agreement, attached in substantially final form, by the CEO or President, subject to review by the Office of the Attorney General.
MOTION TO APPROVE: Mr. Nelson **SECOND:** Ms. Perry **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:6

CEO Brown recognized Director Laura Wallick for her 29 years of service to the EDA in light of her leaving for a new position at CBAC.

Chairman Koeppe thanked her for her years of diligence and stated that noted that she has left a mark on the Authority.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

Mr. Sarlo joined the meeting via conference call at this time.

INFORMATION ONLY: The next item was a summary of Funding Status for the Petroleum Underground Storage Tank Program and Hazardous Discharge Site Remediation Fund Programs.

PROJECT: Eastland Recovery Group, LLC **APPL.#37564**
LOCATION: Buena Vista Twp/Atlantic
PROCEEDS FOR: Remediation, Upgrade, Closure
FINANCING: \$290,635 Petroleum UST remediation, Upgrade and Closure Fund Grant
MOTION TO APPROVE: Comm. Wirths **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

INFORMATION ONLY: The next item was is a summary of the Petroleum Underground Storage Tank Program projects approved by the Delegated Authority.

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following municipal projects were presented under the Hazardous Discharge Site Remediation Fund Program

PROJECT: Flexco Microwave, Inc. **APPL.#37788**
LOCATION: Mansfield Twp/Warren
PROCEEDS FOR: Remedial Action
FINANCING: \$508,583 Hazardous Discharge Site Remediation Fund Grant

PROJECT: Flexco Microwave, Inc. **APPL.#37789**
LOCATION: Mansfield Twp/Warren
PROCEEDS FOR: Remedial Action
FINANCING: \$250,000 Hazardous Discharge Site Remediation Fund Grant
MOTION TO APPROVE: Comm. Wirths **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Steel Brite Polishing Corporation **APPL.#37757**
LOCATION: Elizabeth/Union
PROCEEDS FOR: Remedial Action
FINANCING: \$76,014 Hazardous Discharge Site Remediation Fund Grant
MOTION TO APPROVE: Ms. Perry **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: City of Millville (Stewart's Amoco) **APPL.#37750**
LOCATION: Millville/Cumberland
PROCEEDS FOR: Remedial Investigations
FINANCING: \$172,451 Hazardous Discharge Site Remediation Fund Grant
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Downes **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

EDISON INNOVATION

ITEM: Edison Innovation Venture Capital Growth Fund – Product Enhancement

REQUEST: To approve consent to allow investments from strategic investors to be considered eligible to meet the 1:1 matching fund requirement under the Edison Innovation Venture Capital Growth Fund.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Tolson **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: Otsuka America Pharmaceutical, Inc. &
Otsuka Pharmaceutical.

APPL.#37839

LOCATION: West Windsor/Mercer

BUSINESS: Pharmaceutical

GRANT AWARD: 65% **Business Employment Incentive grant**, 10 years

MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Ms. Perry **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

FILM TAX CREDIT TRANSFER PROGRAM

ITEM: New Jersey Film Tax Credit Program – Project for Approval

REQUEST: Approve the following Film Tax Credit Project, subject to the Act, Regulations and further satisfactory review by the staff, Film Commission and Taxation.

PROJECT: Northern Entertainment Inc.

MAX AMOUNT OF TAX CREDITS: \$216,640 subject to availability of FY2013 allocation

MAX AMOUNT OF TAX CREDITS: \$10,000,000 subject to availability of F Y2013 allocation

MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. Imperatore **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BOARD MEMORANDUMS

ITEM: BTA Pharmaceutical, Inc. - P14984

Bridgewater, New Jersey

\$4,325,100 Business Employment Incentive Program Grant

REQUEST: REQUEST: To approve (i) consent to the merger of Biovail Corp. the parent company of BTA, and Valeant, forming Valeant Pharmaceuticals International, Inc. and the subsequent name change of BTA to Valeant Pharmaceuticals North America LLC and (ii), approve consent to the addition of Biovail Americas Corp. as a tax-paying entity to the grant.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Nelson **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

ITEM: Nipro Glass Americas Corporation

\$333,000 UEZ Energy Sales Tax Exemption (U-STX)

REQUEST: To approve NGA's application to participate in the U-STX program.

MOTION TO APPROVE: Mr. Imperatore **SECOND:** Mr. Tolson **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: Administrative Changes to the following BEIP Grants:

Organon USA, Inc – P10531

Schering Corporation – P11412

REQUEST: To approve (i) acquisition of Organon Biosciences parent company of Organon USA inc. by Schering –Plough Corporation parent of Schering Corporation and (ii) the merger of SP with Merck & Co., Inc. and subsequent name change of BEIP grantee, SC to Merck & Co., Inc.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

FOR INFORMATION ONLY: Summary of the post closing actions approved under Delegated Authority for 4th Quarter 2012.

FOR INFORMATION ONLY: Summary of Incentive Modifications approved for 4th Quarter 2012.

FOR INFORMATION ONLY: Summary of the projects approved under Delegated Authority in December 2012:

New Jersey Business Growth Fund: 71 East Main Street, LLC, Heritage Real Estate, LLC

Premier Lender Program: AZ Holdings, LLC, CMC Group, LLC, BK Specialty Foods, Inc.

REAL ESTATE

ITEM: Construction of Shell Expansion – Merial, Limited

The Technology Centre of New Jersey

REQUEST: To approve (i) the amendment of existing contracts with HDR, Inc. and Torcon, Inc. for design and construction of a 15,500 square foot addition for Merial, Limited a tenant in the Tech One building at the Technology Centre of New Jersey, (ii) enter into a amendment to the Lease Agreement between Merial and the Technology Centre of New Jersey, LLC, and (iii) make an equity contribution to the LLC of 36.56% of the project cost, estimated at approximately \$1,373,000.

MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. Tolson **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Property and Facilities Management Services

REQUEST: REQUEST: To approve the contract for property and facilities management services for property and facilities management services with ISS Facility Services, Inc. of Livingston, New Jersey for the following sites; (i) Technology Centre of New Jersey, North Brunswick, (ii) NJJEDA Headquarters, Trenton; (iii) Waterfront Technology Center, Camden; and (iv) additional properties throughout the State which are owned, leased, managed and/or operated by the Authority.

MOTION TO APPROVE: Mr. Nelson **SECOND:** Mr. McNamara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Mr. Sarlo recused himself because he is familiar with personnel at ISS Facility Services, Inc.

ITEM: Susquehanna Bank Center (f/k/a Tweeter Center)

Lease Agreement with the institute for the Development of Education in the Arts

REQUEST: To approve the lease extension agreement with the Institute for the Development of Education in the Arts for exclusive use of office space and non-exclusive use of the Black Box Theater at the Susquehanna Bank Center in Camden.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

FOR INFORMATION ONLY: The next item is a summary of the Real Estate Division Delegated Authority for Leases and Right of Entry for 4th Quarter 2012.

BOND PROJECTS

ITEM: NJEDA/School Facilities Construction Bonds and Notes

REQUEST: To approve (i) approve the adoption of the Thirtieth Supplemental Resolution authorizing the issuance of the 2013 Refunding Bonds and the 2013 Refunding Notes in the total aggregate principal amount not to exceed \$3.739 billion as well as other matters in connection with the issuance and sale thereof and otherwise described above as well as the amendment, assignment and/or termination, in whole or in part, of the existing swap agreements and the entry into new swap agreements and standby purchase agreements; (ii) approve several actions and delegation of actions to an Authorized Officer as may be necessary or advisable in order to issue the 2013 Refunding Obligations and to undertake the other transactions described in (i) above on terms which are in the best interest of the State; (iii) authorize the use of the aforementioned professionals; and (iv) authorize Authority staff to take all necessary actions incidental to the issuance of the 2013 Refunding Obligations; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. McNamara **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PUBLIC COMMENT

There was no comment from the public.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a public investment. The minutes will be made public when the need for confidentiality no longer exists.

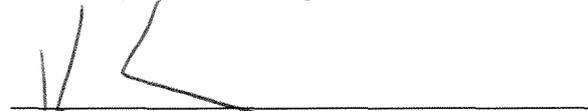
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

The Board returned to Public Session.

There being no further business, on a motion Ms. Perry, and seconded by Mr. Kosoffsky, the meeting was adjourned at 11:40 am.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the New Jersey Economic Development Authority at its meeting.



Kim Ehrlich, Assistant Secretary