

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

January 17, 2012

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Chris Jeter representing the State Treasurer; Wayne Staub representing the Commissioner of the Department of Environment Protection; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Marjorie Perry, Harold Imperatore, Charles Sarlo, Richard Tolson, Ray Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Brian Nelson, Third Alternate Public Member.

Members of the Authority present via conference call: Matt McDermott representing the Executive Branch; Public Members Larry Downes, and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Dr. Aaron Fichtner representing the Department of Labor and Workforce Development and Kate Whitman, Public Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Sudi Solomon, Deputy Attorney General; Nicole Crifo, Governor's Authorities' Unit and staff.

Also present via conference call: Bette Renaud, Deputy Attorney General.

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

Pursuant to the Internal Revenue Code of 1986, Ms. Franzini 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. Franzini 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 13, 2011 regular and executive session meeting minutes. A motion was made to approve the minutes by Marjorie Perry, seconded by Nancy Graves, and was approved by the 12 voting members present.

Matt McDermott abstained because he was not present.

Chris Jeter 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

ITEM: 2011 Carryforward Request

REQUEST: The approval to carry forward the unused amount (\$92,870,000) of the allocated \$110,000,000 to the New Jersey Economic Development Authority out of the State's 2011 Private Activity Bond Cap.

APPROVE: Mr. Staub SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PROJECT: 810 Broad St Urban Renewal Company LLC **APPL.#34850**

LOCATION: Newark City/Essex

PROCEEDS FOR: Acquisition, Renovation

FINANCING: \$4,920,000 Redevelopment Area Bond

APPROVE: Mr. Tolson SECOND: Mr. McNamara AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Ms. Perry abstained because she may pursue a business relationship with the project.

PROJECT: Cong Bnos Devorah **APPL.#36771**

LOCATION: Lakewood Township/Ocean

PROCEEDS FOR: Refinance

FINANCING: Not to exceed \$1,450,000, Tax-Exempt Bond

APPROVE: Ms. Perry SECOND: Ms. Graves AYES: 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PUBLIC HEARING: YES

PUBLIC HEARING ONLY

PROJECT: VG Resources LLC **APPL.#37026**

LOCATION: Hamilton/Mercer

PROCEEDS FOR: Land Acquisition, Construction, Equipment

FINANCING: Not to exceed \$14,500,000, Tax-Exempt Bond

PUBLIC HEARING: YES

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Congregation Ahavas Chesed **APPL.#37044**
LOCATION: Lakewood Township/Ocean
PROCEEDS FOR: Refinance
FINANCING: \$4,500,000 Tax-Exempt Bond
APPROVE: Ms. Perry **SECOND:** Ms. Graves **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: YES

PROJECT: Ocean Mental Health Services, Inc. **APPL.#36964 & APPL.#36974**
LOCATION: Berkeley Township/Ocean & Multi City/Ocean
PROCEEDS FOR: Refinance/Refund
FINANCING: \$1,632,500 Tax-Exempt Bond /\$1,467,500Tax-Exempt Bond
APPROVE: Mr. Nelson **SECOND:** Ms. Perry **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: YES

PROJECT: Railway Avenue Properties, LLC **APPL.#36938**
LOCATION: Paterson City/Passaic
PROCEEDS FOR: Building Purchase, Land Acquisition, Renovation
FINANCING: \$27,250,000(est.) Tax-Exempt Series A Bond, \$250,000 Taxable Series
B Bond
APPROVE: Mr. Staub **SECOND:** Mr. McNamara **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
PUBLIC HEARING: YES

PRELIMINARY RESOLUTIONS

PROJECT: Robertet, Inc **APPL.#37148**
LOCATION: Mount Olive Township/Morris
PROCEEDS FOR: Building Purchase
APPROVE: Ms. Perry **SECOND:** Mr. Tolson **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

LOANS/GRANTS/GUARANTEES

ITEM: New EDA Partner Lending Program with Citibank, N.A.

REQUEST: To approve a new affinity program between the Authority and Citibank where Citibank has agreed to provide up to \$50 million in financing to New Jersey companies engaged in international trade, and the Authority will provide partial guarantees in support of these financings.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

Mr. Richard Koar, President Citibank eastern region expressed his appreciation to the board members.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following projects were presented under the Petroleum Underground Storage Tank Program.

APPROVE: Ms. Perry **SECOND:** Mr. Tolson **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Episcopal Church of St. Michael the Archangel **APPL.#36880**

LOCATION: Wall Township/Monmouth

PROCEEDS FOR: Remediation

FINANCING: \$212,132, Petroleum UST remediation, Upgrade and Closure Fund Grant

PROJECT: Roger Hinton **APPL.#36942**

LOCATION: Orange City/Essex

PROCEEDS FOR: Upgrade, Closure, Remediation

FINANCING: \$101,641, Petroleum UST remediation, Upgrade and Closure Fund Grant

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

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

PROJECT: County of Union (Summit Transfer Station) **APPL.#27381**

LOCATION: Summit City/Union

PROCEEDS FOR: Site and Remedial Investigations

FINANCING: \$193,495, Hazardous Discharge Site Remediation Fund Grant

APPROVE: Ms. Perry **SECOND:** Mr. Tolson **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

EDISON INNOVATION FUND

ITEM: Edison Venture Fund VII, L.P.

REQUEST: Approval to make a \$2,000,000 limited partnership investment in Edison Venture Fund VII from the Economic Recovery Fund.

APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Mr. Nelson abstained because he has a working relationship with one of the companies involved in the venture fund(s).

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM, BUSINESS RETENTION & RELOCATION ASSISTANCE GRANT PROGRAM

PROJECT: Amerlux LLC

APPL.#37154

LOCATION: TBD

BUSINESS: Manufacturing

GRANT AWARD: 35% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Ms. Perry **SECOND:** Ms. Graves **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Ms. Franzini noted that all BEIP and BRRAG projects approved today are subject to all proposed regulations becoming final.

PROJECT: Amerlux LLC

APPL.#37230

LOCATION: TBD

BUSINESS: Manufacturing

GRANT AWARD: \$299,250 (est.), Business Retention and Relocation Assistance grant, 1 year

MOTION TO APPROVE: Mr. Staub **SECOND:** Ms. Graves **AYES:** 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: DACO Limited Partnership

APPL.# N/A

LOCATION: Boonton Township/Morris County

BUSINESS: Manufacturing

GRANT AWARD: \$198,000 (est.), Business Retention and Relocation Assistance grant, 1 year

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: EBI Holdings, LLC, Biomet Inc. and Affiliates **APPL.#37056**
LOCATION: TBD **BUSINESS:** Medical Technology
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
APPROVE: Ms. Perry **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: EBI Holdings, LLC, Biomet Inc. and Affiliates **APPL.# N/A**
LOCATION: TBD **BUSINESS:** Medical Technology
GRANT AWARD: \$1,651,500 (est.), Business Retention and Relocation Assistance grant, 2 years
APPROVE: Mr. Tolson **SECOND:** Ms. Perry **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: EBI Holdings, LLC, Biomet Inc. and Affiliates **APPL.# N/A**
LOCATION: TBD **BUSINESS:** Medical Technology
GRANT AWARD: \$586,250, Sales Tax Exemption Program, 5 years
APPROVE: Mr. Kosoffsky **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

This approval is subject to staff's final financial review.

ITEM: Intervet, Inc. BEIP Grant

REQUEST: Discussion and action on staff's recommendation not disqualify Intervet, Inc. after the review of legal matters.

APPROVE: Mr. McNamara **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Intervet, Inc. USA **APPL.#37009**
LOCATION: TBD **BUSINESS:** Pharmaceuticals
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
APPROVE: Ms. Perry **SECOND:** Ms. Graves **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Mastertaste Inc. and Kerry Group plc **APPL.#37050**
THIS PROJECT WAS WITHHELD FROM CONSIDERATION.

PROJECT: McGladrey & Pullen, LLP **APPL.#36886**
LOCATION: TBD **BUSINESS:** Professional Services
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
APPROVE: Mr. Tolson **SECOND:** Mr. Kosoffsky **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

This approval is subject to staff's final financial review.

PROJECT: Sparta Systems, Inc. **APPL.#37047**
LOCATION: Neptune Township/Monmouth **BUSINESS:** Printing and Publishing
GRANT AWARD: 75% **Business Employment Incentive grant**, 10 years
APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Sparta Systems, Inc. **APPL.#37227**
LOCATION: Neptune Township/Monmouth **BUSINESS:** Printing and Publishing
GRANT AWARD: \$184,500 (est.), **Business Retention and Relocation Assistance grant**,
1 year
APPROVE: Ms. Perry **SECOND:** Mr. Staub **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: Waste Management of New Jersey Incorporated **APPL.#37043**
LOCATION: Ewing Township/Mercer **BUSINESS:** Waste Management
GRANT AWARD: 70% **Business Employment Incentive grant**, 10 years
APPROVE: Ms. Perry **SECOND:** Mr. Tolson **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

URBAN TRANSIT HUB TAX CREDIT PROGRAM

ITEM: 70 Columbus Co., LLC- Urban Transit Hub Tax Credit Program
REQUEST: To approve the application for 70 Columbus Co., LLC for 20% of the eligible costs, not to exceed \$28,317,582 or \$2,831,758 annually for 10 years.
MOTION TO APPROVE: Mr. Tolson **SECOND:** Mr. Nelson **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

Ms. Franzini noted that all HUB projects approved today are subject to all proposed regulations becoming final.

ITEM: RBH-TRB Newark Holdings LLC- Urban Transit Hub Tax Credit Program
REQUEST: To approve the application for RBH-TRB Newark Holdings LLC for 35% of the eligible costs, not to exceed \$39,456,741 or \$3,945,764 annually for 10 years.
MOTION TO APPROVE: Mr. Tolson **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

Ms. Perry abstained because she may pursue a business relationship with the project.

ITEM: New Program- Grow New Jersey Assistance Program
REQUEST: To approve the proposed new rules implementing the Grow New Jersey Assistance Program established pursuant to the “Grow New Jersey Assistance Act of 2011,” P.L. 2011, c. 149, as well as proposed amendments to the existing rules implementing other EDA incentive programs – Economic Redevelopment and Growth Program, Urban Transit

Hub Tax Credit Program, Business Employment Incentive Program and Business Retention and Relocation Assistance Grant Program – based on statutory revisions contained in P.L. 2011, c. 149 and recent policy determinations by the Authority intended to clarify certain eligibility and application requirements and improve implementation of each.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

BOARD MEMORANDUMS

ITEM: Newark Farmers Market, LLC (This project is related to Wakefern Food Corp.)- Urban Transit Hub Tax Credit Program

REQUEST: To approve an extension of the date by which the conditions to maintain approval of the UTHTC are to be submitted to by December 31, 2013

MOTION TO APPROVE: Mr. Staub SECOND: Ms. Graves AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

Ms. Perry abstained because she may pursue a business relationship with the project.

FOR INFORMATION ONLY: The next item is a summary of the projects approved under Delegated Authority in December 2011:

New Jersey Business Growth Fund: Atlantic Cardiac Realty; Musicland LLC; Permalith Plastics LLC

Small Business Fund Direct Loan Program- Modification: Luiz Marin Realty LLC and Doggy Care of Jersey City LLC DBA Club Barks

FOR INFORMATION ONLY: The next item is a list of the BEIP modifications that were approved in the 4rd quarter ending December 31, 2011.

REAL ESTATE

ITEM: Higher Education Public Private Partnership Program: Ramapo College- 4.5 Megawatt Solar Installation

REQUEST: To authorize the Authority's staff to approve Ramapo College's application to develop a 4.5 megawatt solar array on the Ramapo Campus under the Higher Education Public Private Partnership Program established by P.L. 2009, c. 90.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Staub AYES: 14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

Mr. Richard Roberts, Associate VP, Ramapo College expressed appreciation to the board for approving the project.

PUBLIC COMMENT

Mr. Richard Koar, President, Citibank Eastern Regional Commercial Banking Group expressed his appreciation to the board members for approving the new affinity program between the Authority and Citibank.

There being no further business, on a motion by Ms. Perry, and seconded by Mr. Tolson, the meeting was adjourned at 11:50 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.

A handwritten signature in black ink that reads "Maureen Hassett". The signature is written in a cursive style and is positioned above a horizontal line.

Maureen Hassett, Assistant Secretary