

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

**July 25, 2012**

**MINUTES OF THE SPECIAL MEETING**

Members of the Authority present: Al Koepp, Chairman; Matt McDermott representing the Executive Branch; Andrew Sidamon – Eristoff, State Treasurer; Bob Martin, Commissioner of the Department of Environment Protection; Hal Wirths, Commissioner of the Department of Labor and Workforce Development; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Charles Sarlo, Rich Tolson, Marjorie Perry, Elliot M. Kosoffsky, Second Alternate Public Member; and Brian Nelson, Third Alternate Public Member.

Present via conference call: Public Member Larry Downes, Ray Burke, First Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Public Member Harold Imperatore.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; Michele Brown, Governor's Appointments Office; Regina Egea, Governor's Authorities' Unit and staff.

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

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**

Chairman Koepp noted the purpose of today's meeting: 1) to accept the resignation of Caren Franzini, 2) to review a new executive structure; and 3) to approve Michele Brown to the position of Chief Executive Officer and Tim Lizura as President/Chief Operating Officer.

Chairman Koepp stated that it was approximately 90 days ago during one of their quarterly meetings when Caren first mentioned her desire to leave her position. They sat down again about 45 days later and Caren stated she wanted to leave on October 1<sup>st</sup>.

He added that Caren's departure gives us both the obligation and opportunity to direct the future of this organization to enable sustain high performance, as well as to achieve new levels of accomplishments and economic growth.

He added that Caren had the energy and skills to function very effectively at the strategic level as CEO, as well as at the highly technical operating level of a COO, however; after much deliberation it was thought that two separate positions are best for the EDA.

Chairman Koeppe pointed out that the EDA's success is measured by a variety of diverse factors, including customer satisfaction, operational integrity and effectiveness, sound ethical and governance practices, financial stability, and the continued growth of New Jersey's economy. As such, it was determined that the EDA would benefit from a more traditional organizational structure that involves both a CEO, whom is externally focused and a President/COO whom is responsible for day to day management of EDA operations.

He stated that the new executive structure will enable sustained high performance and allow us to achieve new levels of success as an organization. As CEO, Michele will provide leadership to position the EDA as the foremost economic development agency in the nation, promoting job creation in the state through financing and real estate programs, while also ensuring profitability and growth as an organization.

Going into further detail, Chairman Koeppe added that as the top manager, Michele will be responsible for the entire operations of the EDA, reporting directly to the Chair and Board of Directors. This includes managing all back-office support functions and serving as the lead on matters related to policy, legislation, governance and strategic initiatives.

Additionally, Michele will represent the EDA at business meetings, public events and will interface with the Executive and Legislative branches of government, as well as maintaining strong relations with state and local government officials, state agencies and departments. In this role, Michele will be responsible for protecting and enhancing the EDA's interests with respect to legislative and operational matters.

Michele will also be responsible for overseeing sound ethical and governance processes within the organization, and managing and resolving various administrative matters with the goal of creating an optimal operational and cultural environment. She'll be able to leverage her significant governance and legal background, as well as her excellent relationships with the Executive and Legislative branches, to support these essential duties.

As Appointments Counsel, Michele has provided strategic and legal advice to the Governor and Cabinet and worked closely with the New Jersey Legislature.

Her long and distinguished career serving the U.S. Attorney General's Office included overseeing the management and operation of a 300 employee office.

Her commitment to integrity and collaboration are critical to the role of CEO, and her breadth of experience will bring a fresh perspective to the EDA.

Chairman Koeppe noted out that the COO is responsible for issues related to production, sales, marketing and portfolio management. As is traditionally the case, the COO is more hands-on than the CEO, looking after the EDA's day-to-day activities, while providing feedback to the CEO.

In his role, Tim Lizura will oversee operations to ensure production efficiency, quality, service and the cost effective management of resources. He will be responsible for the review of all projects involving real estate investment, credit and incentives.

Tim also will lead the team in identifying new business opportunities to improve New Jersey's economy and generate revenue for the Authority.

Chairman Koeppe emphasized that as a team, the CEO and COO will be able to encourage exceptionally high levels of performance throughout the Authority, allowing EDA to more effectively and efficiently meet its operational and business goals.

An additional personnel change is the promotion of Maureen Hassett, SVP, Governance and Communications to replace Tim Lizura as SVP Finance and Development. SVP Fred Cole will report to CEO Brown; Maureen Hassett, Bruce Steadman of the EDA's Fort Monmouth office, and CFO Greg Ritz will report to the President/COO Lizura.

Accordingly, I recommend that the Board appoint Michele Brown as CEO, and Tim Lizura as President/COO.

### **AUTHORITY MATTERS**

**ITEM:** Chief Executive Officer Position

**REQUEST:** Approve selection of Michele Brown as Chief Executive Officer of the Authority with a salary of \$225,000.00.

**MOTION TO APPROVE:** Ms. Perry      **SECOND:** Mr. Sidamon-Eristoff **AYES:** 14

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

**ITEM:** President/ Chief Operating Officer Position

**REQUEST:** To approve the selection of Timothy Lizura to the position of President/Chief Operating Officer with a salary of \$205,000.00.

**MOTION TO APPROVE:** Ms. Perry      **SECOND:** Mr. Sidamon-Eristoff **AYES:** 14

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

Chairman Koeppe asked if it was necessary to create the position of the President/Chief Operating Officer. Ms. Franzini stated that the position would be created at the annual reorganizational meeting in September and would be in place by the October 1, 2012 effective date.

Ms. Franzini gave remarks regarding her tenure at the EDA.

Chairman Koeppe requested comments from the Members.

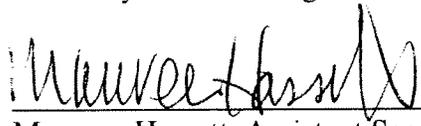
The Members all spoke of their high regard for Caren's leadership, and integrity and affirmed their support of the new executive structure and the appointment of Michele Brown and Tim Lizura.

**PUBLIC COMMENT**

There was no comment from the public.

There being no further business, on a motion Ms. Perry, and seconded by Mr. McNamara, the meeting was adjourned at 10:50 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.

  
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Maureen Hassett, Assistant Secretary