

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

September 12, 2013

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; State Treasurer Andrew Sidamon-Eristoff; Fred Zavaglia representing the Commissioner of the Department of Labor and Workforce Development; Christopher Hughes representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Marjorie Perry, Charles Sarlo, Larry Downes, Brian Nelson, Jerry Langer, Ray Burke, First Alternate Public Member; Harold Imperatore, Third Alternate Public Member.

Present via conference call: Melissa Orsen representing the Executive Branch; Colleen Kokas representing the Commissioner of the Department of Environmental Protection; Elliot M. Kosoffsky, Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

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

Absent: Richard Tolson, Public 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 August 13, 2013 meeting minutes. A motion was made to approve the minutes by Mr. Downes, seconded by Mr. McNamara, and was approved by the 13 voting members present.

The next item of business was the approval of the August 27, 2013 special meeting minutes. A motion was made to approve the minutes by Mr. Downes, seconded by Mr. McNamara, and was approved by the 12 voting members present.

Ms. Perry abstained because she was absent from the meeting.

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

Mr. Sarlo entered the meeting at this time.

AUTHORITY MATTERS

ITEM: Annual Meeting

REQUEST: To approve the recommendations associated with the annual reorganization meeting.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

FOR INFORMATION ONLY: The next item is a summary of the resolved executive session items.

BOND PROJECTS

PROJECT: CA Newark 66-78 MA Urban Renewal LLC

APPL.#38387

LOCATION: Newark City/Essex

PROCEEDS FOR: Construction of new building or addition, renovation of existing building, and acquisition of existing building.

FINANCING: \$8,000,000 Taxable Qualified School Construction Bond

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Ms. Perry recused herself because she is familiar with the project.

PROJECT: LEAP Cramer Hill LLC

APPL.#38392

This project was withheld from board consideration.

PROJECT: MPT Facility, Inc.

APPL.#38389

LOCATION: Newark City/Essex

PROCEEDS FOR: Construction of new building or addition, land, and purchase of equipment & machinery

FINANCING: \$35,000,000 Taxable Qualified School Construction Bond

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Ms. Perry recused herself because she is familiar with the project.

AMENDED BOND RESOLUTIONS

ITEM: Robertet, Inc.
P37148
REQUEST: To approve an allocation of \$2,000,000 from the 2013 Volume Cap for Robertet, Inc. to be used for the purchase of equipment and machinery
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Downes **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Kent Place School **APPL.#38494**
LOCATION: Summit City/Union
PROCEEDS FOR: Refinancing and purchase of equipment
FINANCING: \$5,000,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Zavaglia **SECOND:** Ms. Perry **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Mr. Langer entered the meeting at this time.

PROJECT: NYNJ Link Borrower LLC & NYNJ Link Developer LLC **APPL.#38508**
LOCATION: Elizabeth City/Union
PROCEEDS FOR: Goethals Bridge Replacement project
FINANCING: \$550,000,000 Tax-exempt bonds
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Zavaglia **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Ms. Perry recused herself because she is familiar with the project.

PROJECT: SJF CCRC, Inc. **APPL.#38490**
LOCATION: Voorhees Township/Camden
PROCEEDS FOR: Renovation of existing building
FINANCING: \$3,817,500 Tax-exempt bond
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Nelson **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: SJF CCRC, Inc. **APPL.#38512**
LOCATION: Voorhees Township/Camden
PROCEEDS FOR: Refund of principal amount of bond(s)
FINANCING: \$64,182,500 to be refunded
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Imperatore **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

LOANS/GRANTS/GUARANTEES

DIRECT LOANS

PROJECT: Compassionate Care Foundation, Inc. **APPL.#38376**
LOCATION: Egg Harbor City/Atlantic
PROCEEDS FOR: Purchase of equipment & machinery
FINANCING: \$350,000
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Langer **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

FOR INFORMATION ONLY: Summary of Funding Status for the Petroleum Underground Storage Tank Program and Hazardous Discharge Site Remediation Fund Programs.

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

PROJECT: The Estate of Louis Spagnuolo **APPL.#38405**
LOCATION: Newark City/Essex
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: \$319,050 Petroleum UST Remediation, Upgrade and Closure Fund Grant
MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Zavaglia **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Stephanie Dryer **APPL.#38439**
LOCATION: Middletown Township/Monmouth
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: \$294,720 Petroleum UST Remediation, Upgrade and Closure Fund Grant
MOTION TO APPROVE: Mr. Nelson **SECOND:** Ms. Kokas **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

FOR INFORMATION ONLY: Summary of Petroleum Underground Storage Tank Program projects approved by the Delegated Authority.

HAZARDOUS DISCHARGE SITE REMEDIATION FUND

PROJECT: Estate of Dorothy Y. Trombold **APPL.#38309**
LOCATION: Haddonfield Borough/Camden
PROCEEDS FOR: Site Remediation
FINANCING: \$83,566 Hazardous Discharge Site Remediation Fund Loan
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

INCENTIVE PROGRAMS

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

PROJECT: Berlitz Corporation and Subsidiaries **APPL.#38484**
LOCATION: West Windsor Township/Mercer **BUSINESS:** Educational Services
GRANT AWARD: 60% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Nelson **SECOND:** Ms. Perry **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Berlitz Corporation and Subsidiaries **APPL.# 38485**
LOCATION: West Windsor Township/Mercer **BUSINESS:** Educational Services
GRANT AWARD: \$492,750 **Business Retention and Relocation Assistance grant**, 1 year
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Imperatore **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Whitney, Danforth & Stark Associates, Inc. **APPL.#38418**
LOCATION: Chester Borough/Morris **BUSINESS:** Advanced Computing
GRANT AWARD: 30% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Nelson **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

GROW NEW JERSEY ASSISTANCE PROGRAM

PROJECT: Destination Maternity Corporation
LOCATION: Florence Township/Burlington **BUSINESS:** Wholesale
Moorestown Township/ Burlington
GRANT AWARD: \$40,000,000 **Grow New Jersey grant**, 10 years
MOTION TO APPROVE: Mr. Zavaglia **SECOND:** Mr. McNamara **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM

The next item is to approve 51 projects and disapprove 11 projects for the 2013 program cycle which have been evaluated according to the criteria established by the Members of the Board.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Imperatore **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

BOARD MEMORANDUMS

ITEM: 1200 Ferry Avenue Associates, LLC
\$226,583 LDFP Loan
P15030

REQUEST: To extend the loan balloon maturity from 08/01/2013 to 08/01/2023 at a fixed rate of 3.0% for the first 5 years, to be reset at 5-year anniversary to the then 5-year Treasury plus 1.0% with a floor of 3.0%

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Zavaglia **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Fountains Applied LWAG, LLC (P # 37381)
Economic Redevelopment and Growth Grant Program

REQUEST: To approve an extension of the date required to sign the ERG agreement from September 4, 2013 to September 4, 2014.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Langer **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

ITEM: Merrill Lynch & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith Incorporated
and affiliates
Jersey City, New Jersey

This project was withheld from board consideration.

ITEM: Milestone Venture Partners IV, LP

REQUEST: To approve a limited partnership investment in Milestone Venture Partners IV, LP up to \$1.3 million. Funding for the investment will be made from the State Small Business Credit Initiative fund.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. McNamara **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

ITEM: Silvia Brodrick, LLC
\$51,789 SLP Participation
P14542

REQUEST: To extend the SLP participation loan maturity for 10 years to 12/01/2022 at a fixed rate of the 5-year Treasury plus 1.00% with a floor of 3.0%, with a rate reset at 5 years.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Langer **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

ITEM: YSC Property Management, LLC
YSC Business Management, LLC
\$50,677 LDFP Loan
P15169

REQUEST: To extend the loan balloon maturity from 09/01/2013 to 09/01/2018 at a fixed rate of the 5-year Treasury plus 0.50% with a floor of 3.0%.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Imperatore **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

FOR INFORMATION ONLY: Summary of the projects approved under Delegated Authority in July 2013:

New Jersey Business Growth Fund: BC Real Estate Holdings LLC (P38493); Tulip Associates Limited Liability Company (P38444).

NJ Main Street Program: Triangle Realty of NJ, LLC (P38438); Z2 Technologies, LLC (P38402).

Premier Lender Program: Monopoly Management, LLC (P38462)

Small Business Fund Program: Aurora Multimedia Corp. (P38450 & P38453); C & L Machining Company, Inc. (P38416); Sire Stakes Holdings, LLC (P3859)

New Jersey Business Growth Fund – Modification: Caspenny, LLC and International Welding Technologies, Inc. (P38465)

REAL ESTATE

ITEM: Sale of Property
Waterfront Development Tract – Battleship Place
Block 139, Lot 11.03, Camden, NJ

REQUEST: To approve the sale of property located in Camden, New Jersey to The Home Port Alliance for the USS New Jersey, Inc., a New Jersey not-for-profit corporation, for nominal consideration, on terms generally outlined in the Term Sheet.

MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Nelson **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

OFFICE OF RECOVERY

ITEM: NJDEP MOA for compliance with environmental reviews for Stronger NJ Programs

REQUEST: To approve the Memorandum of Agreement between the Authority and the New Jersey Department of Environmental Protection to ensure the State's compliance with the requirements of the U.S. Housing and Urban Development federal Community Development Block Grant Disaster Recovery Program.

MOTION TO APPROVE: Mr. Zavaglia **SECOND:** Ms. Perry **AYES:** 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

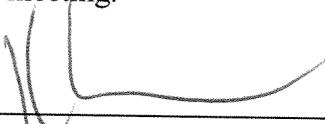
PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion Ms. Perry, and seconded by Mr. Imperatore, the meeting was adjourned at 11:30 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