

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

December 9, 2008

MINUTES OF THE MEETING

Members of the Authority present: Joseph McNamara, Vice Chairman; James Kelly, representing the State Treasurer; Angie McGuire representing the Governor's Office; Dan Ryan representing the Acting Commissioner of the Department of Environment Protection; Michael Sheridan representing the Commissioner of the Department of Banking and Insurance; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Public Members: Steve Plofker, Timothy Carden, Charles Sarlo, Thomas Manning, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Carl Van Horn, Chairman; and Public Members: Philip Kirschner, and Richard Tolson.

Also present: Caren Franzini, Chief Executive Officer of the Authority; bond counsel for the Authority; Bette Renaud, Deputy Attorney General, Robert Shane, Governor's Authorities Unit; and guests.

Vice Chairman McNamara 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 November 12, 2008 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Manning, seconded by Mr. Sheridan and was approved by the 12 voting members present.

The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board. **(For Informational Purposes Only)**

BOND RESOLUTIONS

PROJECT: Atlantic City Sewerage Company **APPL.#22952**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: sewer pipe replacement
FINANCING: \$6,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Sheridan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Longfield Brothers LLC **APPL.#23936**
LOCATION: Vineland/Cumberland Cty.
PROCEEDS FOR: building expansion
FINANCING: \$7,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Sheridan SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PROJECT: R.N. Foster Associates, LLC **APPL.#18944**
LOCATION: Edgewater/Bergen Cty.
PROCEEDS FOR: building acquisition and renovation
FINANCING: \$2,200,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Sheridan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Boys & Girls Club of Camden County **APPL.#24302**
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$2,200,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Sheridan SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Cooper Medical Services, Inc. or **APPL.#24772**
Cooper Medical Equipment
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: building construction
FINANCING: \$10,182,592 Tax-Exempt Bond and \$4,817,408 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Manning **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: The Moriah School of Englewood **APPL.#24620**
LOCATION: Englewood/Bergen Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$5,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: ACR Energy Partners, LLC **APPL.#24485**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: building construction
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Plofker **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Halo Pharmaceutical Inc. (or LLC to be formed) **APPL.#24584**
LOCATION: Hanover Twp./Morris Cty.
PROCEEDS FOR: building purchase
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Ryan **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PUBLIC HEARING ONLY

PROJECT: EASCO Shower Doors Company

APPL.#23944

LOCATION: Trenton/Mercer Cty.

PROCEEDS FOR: equipment purchase

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

STATEWIDE LOAN POOL PROGRAM

PROJECT: Spa San Marco at Hamilton LLC

APPL.#24160

LOCATION: Hamilton/Mercer Cty.

PROCEEDS FOR: renovation

FINANCING: \$337,500 (50%) participation in a \$675,000 bank loan

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Sheridan **AYES: 12**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

**RENEWAL COMMUNITY COMMERCIAL
REVITALIZATION DEDUCTION PROGRAM**

The following projects were presented under the Commercial Revitalization Deduction Program.

PROJECT: Lincoln Park Redevelopment, LLC (450-460 Washington Street)

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building construction

FINANCING: \$4,416,366 Commercial Revitalization Deduction

PROJECT: Lincoln Park Redevelopment, LLC (39-41 Beecher Street)

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building construction

FINANCING: \$7,583,634 Commercial Revitalization Deduction

PROJECT: G & S LLC

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building construction

FINANCING: \$3,618,726 Commercial Revitalization Deduction

PROJECT: 1895 Federal Street, LLC
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: building acquisition
FINANCING: \$718,500 Commercial Revitalization Deduction
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Sheridan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Domicile Amiano **APPL.#23109**
LOCATION: Freehold Twp./Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$159,070 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Estate of William Jimolka **APPL.#23492**
LOCATION: Shrewsbury/Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$179,072 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of November 2008. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following projects presented under the Hazardous Discharge Site Remediation Fund Program (private and municipal projects).

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kosoffsky **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Union Laboratories **APPL.#23643**
LOCATION: Marlboro/Monmouth Cty.
PROCEEDS FOR: remedial action
FINANCING: \$58,116 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Berkeley (Bayview Park) **APPL.#24038**
LOCATION: Berkeley/Ocean Cty.
PROCEEDS FOR: preliminary assessment, remedial/site investigation
FINANCING: \$186,663 Hazardous Discharge Site Remediation Fund

PROJECT: Camden Redevelopment Agency (Former RCA Building 8) **APPL.#23772**
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$47,660 Hazardous Discharge Site Remediation Fund

PROJECT: Camden Redevelopment Agency
(Harrison Avenue Landfill Park) **APPL.#24794**
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: remedial investigation/action
FINANCING: \$1,369,650 Hazardous Discharge Site Remediation Fund

PROJECT: Harrison Redevelopment Agency (Spiegel Trucking Inc.) **APPL.#24745**
LOCATION: Harrison/Hudson Cty.
PROCEEDS FOR: remedial action
FINANCING: \$1,827,296 Hazardous Discharge Site Remediation Fund

PROJECT: Rahway Redevelopment Agency (Hamilton Laundry Site) **APPL.#23401**
LOCATION: Rahway/Union Cty.
PROCEEDS FOR: preliminary assessment, remedial investigation, site investigation
FINANCING: \$544,137 Hazardous Discharge Site Remediation Fund

PROJECT: Sayreville Economic Redevelopment Agency
(Former National Lead) **APPL.#24787**
LOCATION: Sayreville/Middlesex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$3,757,897 Hazardous Discharge Site Remediation Fund

The next item was a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of November 2008. **(For Informational Purposes Only)**

EDISON INNOVATION FUND

PROJECT: Evident Software Inc. **APPL.#22414**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: growth capital
FINANCING: \$1,000,000 Edison Innovation Fund investment
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Sheridan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Princeton Power Systems, Inc. **APPL.#23579**
LOCATION: West Windsor/Mercer Cty.
PROCEEDS FOR: growth capital
FINANCING: \$750,000 Edison Innovation Fund investment
MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Linde Inc., Linde North America Inc., Linde Ener Energy **APPL.#24774**
LOCATION: Greenwich Twp./Warren **BUSINESS:** manufacturing
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker SECOND: Ms. McGuire AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

BROWNFIELD REIMBURSEMENT PROGRAM

The next item was to approve the brownfield application of Revel Entertainment Group, LLC for reimbursement for clean-up costs for an Atlantic City redevelopment project under a Redevelopment Agreement with the New Jersey Economic Development Authority and the State Treasurer, pursuant to the Brownfield and Contaminated Site Remediation Act, P.L. 1997, c. 278 (N.J.S.A. 58:10B-1 et seq.). The recommended reimbursement is up to \$4,253,390

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Plofker AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

URBAN TRANSIT HUB TAX CREDIT PROGRAM

The next item was to approve the Urban Transit Hub Tax Credit Program application for SJP Properties Company as a developer of a proposed new office building at 221 River Street, Hoboken.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

BOARD MEMORANDUMS

PROJECT: The Gracie Movie, LLC **APPL.#016511 & #016522**

LOCATION: Princeton/Mercer Cty.

FINANCING: 33% Loan Guarantee (\$1,500,000) and \$500,000 Direct Loan

MODIFICATION: Write off the subject loans with recourse.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

The next item was to approve the following name changes to these pre-cap BEIPs without imposing the 20% cap because the ministerial nature of these changes are not expected to generate unanticipated growth in employment above jobs projected at the time of approval.

- Cendant Corporation/Cendant Finance Holding Corporation/Cendant Operations (P13712) to Wyndham Worldwide Corporation/Wyndham Worldwide Operations/Wyndham Hotel Group, LLC
- Cendant Car Rental Group (P13025) to Avis Budget Car Rental, LLC
- Galileo International, Inc./Cendant Financial Holding (P13685) to Travelport, Inc
- NRT, Incorporated (P14232) to NRT, LLC

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

The next item was a summary of projects approved under Delegated Authority for November 2008. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: Byram Laboratories, Inc. and Monte's Five Columbia; Exit Zero, Inc. t/a Fairthorne Bed & Breakfast and William and Diane Hutchinson; R. Rhee, MD & Gilson, MD, Partners; Wolfe-Dan, LLC.

Fast Start Direct Loan Program: RHB Acquisition LLC

Preferred Lender Program: 2 Bergen Turnpike, LLC; Flexabar Corporation, Flexdel Corporation, Flexabar-Aquatech

Camden ERB: On Time Staffing, LLC

Edison Innovation Fund: The Talk Market, Inc.

New Jersey Business Growth Modification: 1703 Valley Road, LLC.

The next item was to approve the addition of Citigroup Management Corp. and Citibank, N.A., Inc. to the Citigroup Global Markets, Inc., Citicorp N.A. Inc., and Citigroup Technology, Inc. and advise the members about a liability against Citigroup for violations of ERISA and request approval to continue the grant without disqualification.

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Burke AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

REAL ESTATE

The next item was to approve (i) the termination of master leases between the Authority and the City of Trenton; and (ii) the assignment and assumption of four subleases from the Authority to the City of Trenton.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

The next item was to terminate the lease between the EDA and Novo Nordisk, Inc. at the Technology Centre of New Jersey (Tech Centre) for a termination payment of \$3,500,000.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Kosoffsky AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

The next item was to approve the 2009 Technology Centre of New Jersey Operating Budget.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

AUTHORITY MATTERS

The next item was to approve the 2009-2010 Strategic Business Plan.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

The next item was to approve the 2009 Fiscal Plan.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

The next item was to make two changes to the Fund for Community Economic Development to assist development of grocery stores and supermarkets in urban areas. The changes include: 1) allowing up to \$4 million within the Loans to Lenders component to be used for supermarket and grocery store development, with a maximum of \$3 million per loan; and 2) reducing the interest rate for Loans to Lenders from 3% and two step-up periods of 4% and 5% to 2%, fixed for the term of the loan.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

The next item was to enter into a contract with The Fort Group to provide marketing services to the Authority's newly created Business Retention and Attraction Division, the former New Jersey Commerce Commission – Division of Business Assistance, Marketing and International Trade.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and to enter into Executive Session to discuss a potential settlement.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26**

The next item was to accept the recommendation to accept the settlement offer of \$250,000 between James Gambacorto and his insurance carriers in exchange for a release by the NJEDA of its subrogation rights against the insurers.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Plofker, and seconded by Mr. Manning, the meeting was adjourned at 11:30 a.m.

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.



Maureen Hassett, Assistant Secretary