

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

January 12, 2010

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; James Kelly, representing the State Treasurer; Dan Ryan representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Jerold Zaro representing the Governor's Office; Public Members: Joseph McNamara, Vice Chairman; Timothy Carden, Steve Plofker, Raymond Burke, First Alternate Public Member, Elliot M. Kosoffsky, Second Alternate Public Member, Charles Sarlo, Richard Tolson; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Public Member Thomas Manning.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Attorney Generals, and guests.

Chairman Van Horn 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 8, 2009 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Tolson, seconded by Mr. Ryan and was approved by the 11 voting members present.

The next item of business was the approval of the December 8, 2009 executive session meeting minutes of the Board. A motion was made to approve the minutes by Mr. Tolson, seconded by Mr. McNamara and was approved by the 11 voting members present.

Mr. Sadler entered the meeting at this time.

The next item was the presentation of the EDA's 2009 Accomplishments by the Chief Executive Officer. **(For Informational Purposes Only)**

Mr. Sarlo entered the meeting at this time.

BOND RESOLUTIONS

The next item of business was the adoption of the Carryforward Resolution which approves the filing of the attached IRS Form 8328 by the Chief Executive Officer carrying forward unused 2009 Private Activity Bond Cap to be determined and approved by the State Treasurer for certain eligible exempt facility activities.

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Phoenix Container, Inc. **APPL.#29062**
LOCATION: North Brunswick/Middlesex Cty.
PROCEEDS FOR: equipment purchase
FINANCING: \$1,680,000 Tax Exempt Bond

PROJECT: Phoenix Container, Inc. **APPL.#29079**
LOCATION: North Brunswick/Middlesex Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$850,000 Tax Exempt Bond
MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Family Intervention Services, Inc. **APPL.#28918**
LOCATION: East Orange /Essex Cty.
PROCEEDS FOR: acquisition of building
FINANCING: \$1,305,000 Tax Exempt Bond
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

PROJECT: Woodrose Properties Golden Swan, LLC **APPL.#21755**
LOCATION: Trenton/Mercer Cty.
PROCEEDS FOR: building renovation
FINANCING: \$750,000 loan
MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Poliner **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
Mr. Zaro abstained because he has a business relationship with principal Robert Torricelli.
Mr. McNamara abstained because his firm has a business relationship with Woodrose Properties.

DIRECT LOANS

PROJECT: Food Basics, Inc. **APPL.#29588**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: building renovation and equipment purchase
FINANCING: \$1,000,000 direct loan
MOTION TO APPROVE: Mr. Zaro **SECOND:** Mr. Latoof **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Tolson **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PROJECT: Richard C. Martindale **APPL.#29021**
LOCATION: Park Ridge/Bergen Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$162,797 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Township of Blirstown **APPL.#29022**
LOCATION: Blirstown/Warren Cty.
PROCEEDS FOR: remediation
FINANCING: \$274,977 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 December 2009. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: City of Gloucester (Gloucester Titanium) **APPL.#29135**
LOCATION: Gloucester Twp./Camden Cty.
PROCEEDS FOR: site investigation
FINANCING: \$156,390 Hazardous Discharge Site Remediation Fund

PROJECT: Harrison Redevelopment Agency **APPL.#29784**
(Former Hartz Mountain Facility)
LOCATION: Harrison Twp./Hudson Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$3,928,527 Hazardous Discharge Site Remediation Fund

PROJECT: Trust Formed Under Article VIII of the Will of **APPL.#29292**
Bernard Grobman and the Estate of Phillip Salzman
LOCATION: Irvington Twp./Essex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$183,527 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 December 2009. **(For Informational Purposes Only)**

CLEAN ENERGY SOLUTIONS

PROJECT: S. Bertram, Inc. **APPL.#29371**
LOCATION: Linden/Union Cty.
PROCEEDS FOR: purchase of a 1 MgW solar electric system
FINANCING: \$2,875,000 Clean Energy Solutions Capital Investment loan
MOTION TO APPROVE: Mr. Kelly SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Warren Hospital

APPL.#28742 & 29775

LOCATION: Phillipsburg/Warren Cty.

PROCEEDS FOR: purchase of a Combined Heat and Power System

FINANCING: \$1,044,138 Clean Energy Solutions Capital Investment loan and \$261,035 Clean Energy Solutions Capital Investment grant

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Ryan AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

The next item was to approve in substantially final form the amended MOU between the Board of Public Utilities and the Authority concerning the partnership to implement the ARRA-funded Clean Energy Solutions Edison Innovation Project Fund.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Burke AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Mr. Zaro left the meeting at this time.

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: CSS Materials, Inc.

APPL.#29649

LOCATION: Piscataway/Middlesex Cty.

BUSINESS: advanced materials

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

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: NexAge Technologies USA

LOCATION: TBD

BUSINESS: IT Consulting

GRANT AWARD: \$56,100 (estimate), 5 years

MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Ryan AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

BROWNFIELD REIMBURSEMENT PROGRAM

PROJECT: Statue of Liberty Harbor North Urban Renewal , LLC

LOCATION: Jersey City/Hudson Cty.

REIMBURSEMENT GRANT: Up to \$2,222,625

MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Burke AYES: 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

Mr. Zaro re-entered the meeting at this time.

UEZ/SALEM SALES TAX EXEMPTION

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Renewal Application of General Mills Operations, Inc. The estimated annualized U-STX benefit is \$315,000.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Renewal Application of Leone Industries, LLC. The estimated annualized U-STX benefit is \$825,000.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

URBAN TRANSIT HUB TAX CREDIT PROGRAM

PROJECT: Two Center Street Urban Renewal, LLC

LOCATION: Newark/Essex Cty.

MAX AMOUNT OF TAX CREDITS: Not to exceed \$38,000,000

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

PROJECT: Somerset Street Urban Renewal Associates, LLC

LOCATION: New Brunswick/Middlesex Cty.

MAX AMOUNT OF TAX CREDITS: Not to exceed \$27,191,900

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

Mr. Van Horn abstained because the developer is the landlord of the building that his employer rents.

BOARD MEMORANDUMS

The next item was a list of all BEIP modifications that were approved in the quarter ending December 31, 2009. **(For Informational Purposes Only)**

The next item was a summary of Delegated Authority approvals prepared by Portfolio Services during the 4th Quarter of 2009. **(For Informational Purposes Only)**

The next item was a summary of projects approved under Delegated Authority in December 2009. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: Digital Productions, Inc.; Peek A Boo Toys, Ltd. and 2901 Boardwalk LLC; The Kings Cottage Enterprises; The Sileo Agency LLC

Preferred Lender Program: Family Intervention Services, Inc.

Small Business Fund Program: Galvanic Printing and Plate Co., Inc.

NJ Main Street Program: Kids Palace, Inc. and DVS, Inc.; M & A Holdings Co., LLC; NorthStar Litigation Technologies, LLC; Rahn Realty, LLC

Small Business Fund Program - Modification: Petrol Pump, LLC

REAL ESTATE

Mr. Carden entered the meeting at this time.

The next item was to grant requests of Advance Spine, a current tenant at the Trenton Office Complex's (TOC) retail space, 1) to relocate to larger space at TOC and 2) extend its term to December 31, 2012, with two, two-year renewal options.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

The next item was to request the Members' approval to 1) enter into a lease amendment with the Cooper Health System, a New Jersey non-profit corporation for approximately 3,130 square feet of first floor office space at the Waterfront Technology Center at Camden in the Tech One building, and 2) for a Business Lease Incentive grant for approximately \$28,170 payable over two years.

MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Ryan AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and to enter into Executive Session to discuss a real estate refinancing negotiation for L3 Communications, Camden and a workout negotiation. Minutes from the Executive Session will be made available when the negotiations are resolved.

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Ryan AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

AUTHORITY MATTERS

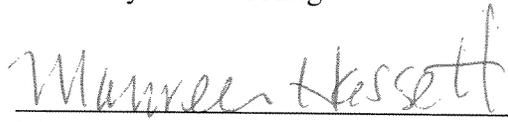
The next item was a summary of Executive Session items from 2005 – 2009 that are no longer considered confidential and to set forth an annual process to inform members of resolved matters considered under Executive Session. **(For Informational Purposes Only)**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Carden, and seconded by Mr. Poliner, the meeting was adjourned at 11:45 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