

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

January 13, 2009

MINUTES OF THE MEETING

Members of the Authority present: Joseph McNamara, Vice 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; Marilyn Davis representing the Commissioner of the Department of Labor and Workforce Development; Steve Plofker, Charles Sarlo, Thomas Manning, Public Members; Raymond Burke, First Alternate Public Member; and Elliot M. Kosoffsky, Second Alternate Public Member.

Present via conference call: Angie McGuire representing the Governor's Office, and Rodney Sadler, Non-Voting Member.

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

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; 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 December 9, 2008 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Manning and was approved by the 10 voting members present.

The next item of business was the approval of the December 9, 2008 executive session meeting minutes of the Board. A motion was made to approve the minutes by Mr. Manning, seconded by Mr. Plofker and was approved by the 10 voting members present.

The next item of business was the approval of the December 19, 2008 special meeting minutes of the Board. A motion was made to approve the minutes by Ms. Davis, seconded by Mr. Manning and was approved by the 10 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

The next item was to approve the resolution approving the 2008 carry forward request for unused private activity bond volume cap and authorizing the Chief Executive Officer to file Form 8328 with the IRS.

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

The next item was to approve the NJEDA/School Facilities Construction Bonds, 2009 Series Par Amount Not to Exceed \$1.2 billion for calendar year 2009. The first series issued in calendar year 2009 is expected to be issued in January and designated "2009 Series Z Bonds" and each series designation thereafter to be sequentially lettered commencing with Series AA. (i) approve the adoption of the Twenty-First Supplemental Resolution authorizing the issuance of the 2009 Series Bonds in the principal amount not to exceed \$1.2 billion as well as other matters in connection with the issuance and sale thereof; (ii) approve several actions and delegation of actions to an Authorized Officer as may be necessary or advisable in light of changing market conditions in order to issue the 2009 Series Bonds on terms most favorable to the Authority; (iii) approve several actions and delegation of actions to an Authorized Officer to permit amendments to the swaps related to each of the bond issues or entering into new swaps; (iv) authorize an Authorized Officer to negotiate or renegotiate the fee structures of the remarketing agreements related to variable interest rate bonds; (v) authorize the use of the aforementioned professionals; (vi) reduce the Authority's closing fee to no less than half the regulatory bond closing fee on each 2009 Series Bond; and (vii) authorize Authority staff to take all necessary actions incidental to the issuance of the 2009 Series Bonds; subject to final review and approval of all terms and documentation by Bond Counsel and the Attorney General's Office

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Plofker AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

Charles Sarlo abstained because his employer may be involved in projects funded with the bond proceeds.

PROJECT: 633 Nassau Realty, LLC **APPL.#23047**

LOCATION: North Brunswick/Middlesex Cty.

PROCEEDS FOR: building acquisition

FINANCING: \$2,225,000 Tax-Exempt Bond

**MOTION TO APPROVE: Mr. Ryan SECOND: Ms. Davis AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

PROJECT: EASCO Shower Doors Company **APPL.#23944**

LOCATION: Trenton/Mercer Cty.

PROCEEDS FOR: equipment purchase

FINANCING: \$1,700,000 Tax-Exempt Bond

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Manning AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PROJECT: ONB Holding Group LLC APPL.#23484

LOCATION: Piscataway/Middlesex Cty.

PROCEEDS FOR: building acquisition and renovation

FINANCING: \$4,639,000 Tax-Exempt Bond and \$500,000 Tax Exempt Bond

MOTION TO APPROVE: Ms. Davis SECOND: Mr. Plofker AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: 4 Over, Inc.* APPL.#24727

LOCATION: Moonachie/Bergen Cty.

PROCEEDS FOR: equipment purchase

FINANCING: \$3,049,790 Tax-Exempt Bond

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Manning AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PUBLIC HEARING ONLY

PROJECT: SWP Real Estate, LLC* APPL.#23722

LOCATION: Tinton Falls/Monmouth Cty.

PROCEEDS FOR: building acquisition & renovation

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

**PROJECT: East Coast Power Services LLC,
 East Coast Power Systems* APPL.#21955**

LOCATION: Tinton Falls/Monmouth Cty.

PROCEEDS FOR: equipment purchase

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

DIRECT LOANS

PROJECT: ILS GRAND, LLC d/b/a Karlan Services Inc. APPL.#24246

LOCATION: Paterson/Passaic Cty.

PROCEEDS FOR: purchase of the company

FINANCING: \$615,000 Direct Term loan

(Additional condition on closing that the appraisal be a minimum of \$950,000 or applicant required to contribute additional equity.)

MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Davis AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: SWP Real Estate, LLC

APPL.#24966

LOCATION: Tinton Falls/Monmouth Cty.

PROCEEDS FOR: land & building acquisition

FINANCING: \$1,250,000 Direct loan

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Kosoffky AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: East Coast Power Services LLC,
East Coast Power Systems*

APPL.#24962

LOCATION: Tinton Falls/Monmouth Cty.

PROCEEDS FOR: equipment purchase

FINANCING: \$1,000,000 Direct Term loan

MOTION TO APPROVE: Ms. Davis SECOND: Mr. Kosoffky AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

STATEWIDE LOAN POOL PROGRAM

PROJECT: Regus Holdings, LLC

APPL.#24911

LOCATION: Union Twp./Union Cty.

PROCEEDS FOR: building acquisition and renovation

FINANCING: \$425,000 (22.08%) participation in a \$1,925,000 bank loan

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Passaic Family Head Start, Inc.

APPL.#24883

LOCATION: Passaic/Passaic Cty.

PROCEEDS FOR: building purchase

FINANCING: \$300,000 Local Development Financing Fund Loan

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Ryan AYES: 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

PROJECT: Cooperative Business Assistance Corporation

APPL.#24533

LOCATION: Camden/Camden Cty.

PROCEEDS FOR: refinance existing debt & loan funding

FINANCING: \$500,000 Fund for Community Economic Development Loan

MOTION TO APPROVE: Ms. Davis **SECOND:** Mr. Plofker **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Woodrose Properties Golden Swan, LLC

APPL.#21755

LOCATION: Trenton/Mercer Cty.

PROCEEDS FOR: renovation of existing building

FINANCING: \$750,000 Fund for Community Economic Development Loan

This project was withheld from consideration.

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: Heart of Camden

APPL.#16954

LOCATION: Camden/Camden Cty.

FINANCING: \$50,000 ERB non-recoverable grant

MODIFICATION: 1) approve a modification to extend the grant term to May 31, 2009 for the \$1,150,000 infrastructure grant to the Heart of Camden to fund Phase I of the Environmental Mitigation and Landscape Master Plan for the Waterfront South neighborhood of Camden and 2) approve a reallocation of \$50,000 in project management fees from the Camden Redevelopment Agency to the HOC.

MOTION TO APPROVE: Mr. Burke **SECOND:** Mr. Ryan **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Rutgers – The State University of New Jersey

Camden Campus

APPL.#18292

LOCATION: Camden/Camden Cty.

FINANCING: \$1,000,000 ERB public-purpose grant

MODIFICATION: extend the grant term to September 31, 2010

MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Manning **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following residential project was presented under the Petroleum Underground Storage Tank Program.

PROJECT: Salvatore Corvino

APPL.#23214

LOCATION: West Orange/Essex Cty.

PROCEEDS FOR: site remediation

FINANCING: \$189,992 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

MOTION TO APPROVE: Mr. Ryan SECOND: Ms. Davis AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

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

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Ms. Davis SECOND: Mr. Ryan AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Township of Bridgewater
(Dept. Public Works Muni Garage) **APPL.#24813**

LOCATION: Bridgewater/Somerset Cty.

PROCEEDS FOR: site investigation

FINANCING: \$109,054 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Carney's Point (A. Clemente Asphalt Plant) **APPL.#23644**

LOCATION: Carney's Point/Salem Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$24,092 Hazardous Discharge Site Remediation Fund

PROJECT: City of Neptune (East Coast Ice Company) **APPL.#24888**

LOCATION: Neptune/Monmouth Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$571,978 Hazardous Discharge Site Remediation Fund

PROJECT: City of Newark (Internatl Metallurgical Svcs) **APPL.#24884**

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$158,187 Hazardous Discharge Site Remediation Fund

PROJECT: City of Paterson (Apollo Dye House) **APPL.#24886**

LOCATION: Paterson/Passaic Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$705,018 Hazardous Discharge Site Remediation Fund

PROJECT: G & N Partnership

APPL.#21430

LOCATION: Roxbury/Morris Cty.

PROCEEDS FOR: remedial investigation/action

FINANCING: \$204,399 Hazardous Discharge Site Remediation Fund Loan

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

Mr. McNamara left the meeting at 10:45 a.m.

EDISON INNOVATION FUND

PROJECT: GlobalPrint Systems, Inc.

APPL.#24708

LOCATION: Evesham/Burlington Cty.

PROCEEDS FOR: growth capital

FINANCING: \$446,000 Edison Innovation Fund investment

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

INCENTIVE PROGRAMS

BROWNFIELD REIMBURSEMENT PROGRAM

The next item was to approve the brownfield application of Park Willow, LLC for reimbursement for clean-up costs for a Hoboken 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 \$750,000.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

The next item was to approve the brownfield application of Ridgewood 120, LLC for reimbursement for clean-up costs for a Ridgewood 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 \$203,250.

MOTION TO APPROVE: Mr. Manning SECOND: Ms. Davis AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

The next item was to approve the brownfield application of Sayreville Seaport Associates, L.P. for reimbursement for clean-up costs for a Sayreville 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 \$29,879,890.

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Plofker AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

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. (GMI), a manufacturer that is located in Vineland. The estimated annualized U-STX benefit to GMI is \$225,000.

MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Davis AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

Mr. Poliner entered the meeting at 11 a.m.

Ms. McGuire left the meeting at 11:05 a.m.

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Renewal Application of Leone Industries (LI), a manufacturer that is located in Bridgeton. The estimated annualized U-STX benefit to LI is \$900,000.

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Plofker AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Albany Pipe and Nipple Manufacturing, Inc. **APPL.#125079**
LOCATION: Perth Amboy/Middlesex Cty. **BUSINESS:** industrial/electrical equipment
GRANT AWARD: 65% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Ms. Davis SECOND: Mr. Manning AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PROJECT: ITT Corp. **APPL.#24065**
LOCATION: Clifton/Passaic **BUSINESS:** industrial/electrical equipment
GRANT AWARD: 65% Business Employment Incentive grant, 10 years

Ms. Franzini presented a memo discussing legal matters relating to the applicant.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PROJECT: Elephant Group, Inc. dba Saveology.com LLC **APPL.#125079**

LOCATION: Edison Twp/Middlesex Cnty. **BUSINESS:** call center operations
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Davis **SECOND:** Mr. Ryan **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

**BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT TAX
CREDIT TRANSFER PROGRAM**

PROJECT: Elephant Group, Inc. dba Saveology.com LLC **APPL.#125079**
LOCATION: Perth Amboy/Middlesex Cty. **BUSINESS:** call center operations
GRANT AWARD: 165,000, 5 years
MOTION TO APPROVE: Ms. Davis **SECOND:** Mr. Ryan **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

The next item was to grant final approval of the Business Retention and Relocation Assistance Grant Tax Credit Certificate Transfer Program application of Deloitte LLP to Johnson & Johnson International.

MOTION TO APPROVE: Mr. Ryan **SECOND:** Ms. Davis **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

BOARD MEMORANDUMS

PROJECT: Roebing Urban Renewal Associates, LLC **APPL.#00559**
LOCATION: Trenton/Mercer Cty.
FINANCING: \$851,071 Local Development Financing Fund Loan
MODIFICATION: extend the LDFE loan maturity from 08/01/2011 to 03/01/2015
MOTION TO APPROVE: Ms. Davis **SECOND:** Mr. Kelly **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

The next item was a summary of projects approved under Delegated Authority for Q4 2008. **(For Informational Purposes Only)**

PROJECT: United States Trust Company of New York
and U.S. Trust Technology and Support Services, Inc. **APPL.#10503**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** financial services
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MODIFICATION: Approve the following changes:

- The name change of UST Co to USTC-NA resulting from the conversion from a New York chartered bank to a national bank
- The sale of the stock of the U.S. Trust Corporation (“UST Corp.”), the parent company of UST Co, to Bank of America Corporation (“BOA”), and the

subsequent merger of UST Corp into N B Holdings Corporation (“NBHC”), a wholly owned subsidiary of BOA

- The removal of USTC-NA, which was dissolved in 2008 from the grant and whose functions at the Project Site have been replaced by Bank of America NA, a subsidiary of NBHC
- The reduction of the grant award percentage from 80% to 60% for grant year 2008 and going forward
- The institution of a 20% cap above the dollar amount of the withholdings attributed to the new employment commitment.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

PROJECT: NBC, Inc.; CNBC, Inc.; and CNBC.com **APPL.#11113**
LOCATION: Englewood Cliffs/Bergen Cty. **BUSINESS:** news and entertainment
GRANT AWARD: 80% Business Employment Incentive grant, 10 years

MODIFICATION: Approve 1) the merger between NBC, Inc. and Vivendi Universal Entertainment, 2) the name change from NBC, Inc. to NBC Universal, Inc., and 3) the addition of several entities to the NBC, Inc.; CNBC, Inc. and CNBC.com LLC Grant Agreement.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Kelly AYES:9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

PROJECT: AT&T New Cingular Wireless PCS, LLC and Cingular Wireless Employee Services, LLC

LOCATION: Paramus/Bergen Cty. **BUSINESS:** communications
MODIFICATION: 1) approve the reduction in the number of eligible retained/relocated employees in the original BRRAG application from 1,634 to 1,106 employees and 2) approve the reduction in estimated BRRAG tax credit benefit for Cingular from \$2,451,000 (1,634 x \$1,500) to \$1,659,000 (1,106 x \$1,500).

**MOTION TO APPROVE: Ms. Davis SECOND: Mr. Poliner AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26**

The next item was for Cooper Medical Services, Inc. (P24772) Series B & C bonds to be restructured as taxable bonds for the first seven years of the term and automatically convert to tax-exempt bonds at the beginning of the 8th year. **(For Informational Purposes Only)**

The next item was to approve the addition of Citizens Bank as a Preferred Lender.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Ryan AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT:27**

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

New Jersey Business Growth Fund: Colmen Realty, LLC; G&J Solutions and 419 Madison, LLC; LLC to be formed (Camden Flooring Company); Neta Scientific, Inc.; Watt Electric, Inc.

Fast Start Direct Loan Program: JMAC Properties Limited Liability Company

Edison Innovation Fund: Biopticon Corporation; Urovalve, Inc.

AUTHORITY MATTERS

The next item was to approve an amendment to the proposed rules implementing the InvestNJ Business Grant Program to include a definition of “common ownership” and “common control.”

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 28

REAL ESTATE

The next item was to increase the litigation budget for legal defense related to the BIL Management (BIL) case that has been settled.

MOTION TO APPROVE: Ms. Davis SECOND: Mr. Ryan AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 29

The next item was to authorize an amendment to the December 18, 2007 Ground Lease with L’Oreal USA Products, Inc. providing L’Oreal the option of extending its Due Diligence Period through March 6, 2009 for certain limited items that remain outstanding.

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Poliner AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 30

The next item was to approve a Memorandum of Understanding with Treasury to facilitate the acquisition and rehabilitation of six State Police Barracks and establish a feasibility budget to advance the Project.

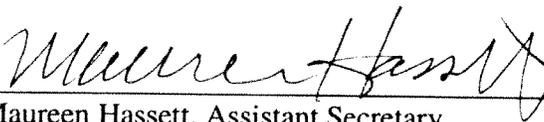
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 31

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