

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

March 8, 2011

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Matt McDermott representing the Lt. Governor's office; Steve Petrecca representing the State Treasurer; Wayne Staub representing the Commissioner of the Department of Environment Protection; Joe Latoof representing 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; Tim Carden, Steve Plofker, Richard Tolson; Marjorie Perry, Charles Sarlo, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Kevin Brown, Third Alternate Public Member and Rodney Sadler, Non-Voting Member.

Absent: Public Member Laurence Downes.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Wayne Matorelli, and Ed Pillsbury, Deputy Attorneys General; Brandon Minde, Assistant Counsel, Governor's Authorities' Unit and guests.

Chairman Koepp 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 February 8, 2011 meeting minutes. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Brown, and was approved by the 14 voting members present.

The next item of business was the approval of the February 8, 2011 executive session minutes. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Brown, and was approved by the 14 voting members present.

The next item of business was the approval of the February 16, 2011 special meeting minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Ms. Perry, and was approved by the 14 voting members present.

The next item of business was the approval of the February 16, 2011 executive session minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Ms. Perry, and was approved by the 14 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

Bond Resolutions

PROJECT: Church of Our Lady of the Angels **APPL.#33790**
LOCATION: Trenton/Mercer Cty.
PROCEEDS FOR: building renovation
FINANCING: \$1,750,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PROJECT: Kontos Foods, Inc. and related entities **APPL.#33790**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: building acquisition
FINANCING: \$5,760,000 Tax-Exempt Bond and \$3,200,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PRELIMINARY RESOLUTIONS

PROJECT: Camden Academy Charter High School **APPL.#34890**
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: building renovation
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Ilan High School **APPL.#35701**
LOCATION: Ocean Twp./Monmouth Cty.
PROCEEDS FOR: building acquisition and renovation
MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Mr. McDermott entered the meeting.

PROJECT: Newark Teachers Village Urban Renewal, L.L.C. **APPL.#35260**

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building construction

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. McNamara AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

Mr. Sarlo abstained because his firm has had prior discussion with the developer RBH – TRB Newark Holdings.

Mr. Carden abstained because he is on the board of an organization that is expected to become a tenant of the Teacher’s Village.

Ms. Perry abstained because her firm may have an opportunity to work on the project.

PROJECT: Women In Support of the Million Man March, Inc. **APPL.#35518**

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building renovation

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Carden AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT:6

CLEAN ENERGY SOLUTIONS

The next item is to approve in substantially final form the attached Memorandum of Understanding between the Board of Public Utilities and the Authority concerning the partnership to implement three programs to be administered by EDA in 2011 – the new Edison Innovation Green Growth Fund, the new Energy Efficiency Revolving Loan Fund, and an updated Clean Energy Manufacturing Fund.

MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Brown AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

DIRECT LOANS

PROJECT: Harry’s Oyster Bar, LLC **APPL.#35002**

LOCATION: Atlantic City/Atlantic Cty.

PROCEEDS FOR: building renovation and equipment purchase

FINANCING: \$1,500,000 direct loan

MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

MAIN STREET ASSISTANCE PROGRAM

PROJECT: C.G.T. Construction, Inc. and American Air Systems Group, Inc. **APPL.#35157**
LOCATION: Edison/Middlesex Cty.
PROCEEDS FOR: working capital
FINANCING: \$250,000 guarantee (50%) of a \$500,000 working capital line of credit
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latoof AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: New Jersey Community Capital (NJCC) **APPL.#35126**
- Camden POWER
LOCATION: Camden/Camden Cty.
FINANCING: \$500,000 non-recoverable Residential Neighborhood Financing Fund grant
MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Perry AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Anthony Colaluca, Jr. (Boulevard Fuel, Inc.) **APPL.#34469**
LOCATION: Middlesex/Middlesex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$116,872 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Michael Markulin **APPL.#34317**
LOCATION: Perth Amboy/Middlesex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$172,588 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Augusto Palermo **APPL.#30724**
LOCATION: Freehold/Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$194,075 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Mary Piscitelli **APPL.#30609**
LOCATION: Union Twp./Union Cty.
PROCEEDS FOR: site investigation
FINANCING: \$134,775 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

The next item is a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of February 2010. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Township of Neptune (Former Chidnese Property) **APPL.#34354**
LOCATION: Neptune/Monmouth Cty.
PROCEEDS FOR: site investigation
FINANCING: \$60,524 Hazardous Discharge Site Remediation Fund

PROJECT: City of Newark (Lionetti Oil) **APPL.#32258**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$106,169 Hazardous Discharge Site Remediation Fund

PROJECT: City of Newark (Northern New Jersey Oil) **APPL.#32303**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$218,808 Hazardous Discharge Site Remediation Fund

The next item is a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of February 2011. **(For Informational Purposes Only)**

EDISON INNOVATION FUND

The next item is to approve the utilization of up to \$2 million for the creation of 3 new Edison Innovation funds to support loan programs to support emerging technology and life sciences businesses in New Jersey.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

INCENTIVE PROGRAMS

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT PROGRAM

The next item is to approve revisions to the proposed amendments to the rules implementing the Business Retention and Relocation Assistance Grant (BRRAG) Program that were approved by the EDA Board at its February 8, 2011 meeting.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

Ms. Franzini left the meeting at this time.

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

PROJECT: Church & Dwight Co., Inc. **APPL.#35667**
LOCATION: Princeton/Mercer **BUSINESS:** manufacturing
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Perry AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Church & Dwight Co., Inc. **APPL.#35855**
LOCATION: Lakewood/Ocean **BUSINESS:** manufacturing
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Brown AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Church & Dwight Co., Inc. **APPL.#35855**
LOCATION: Various **BUSINESS:** manufacturing
GRANT AWARD: \$10,000,000 (estimate), 5 years Business Retention and Relocation Assistance Grant
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Citibank, N.A. and Affiliates **APPL.#35753**
LOCATION: Jersey City/Hudson **BUSINESS:** financial services
GRANT AWARD: 80% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Brown **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Evonik Degussa Corporation and subsidiary **APPL.#35585**
LOCATION: TBD **BUSINESS:** advanced materials
GRANT AWARD: 40% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Brown **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

GRANT AWARD: \$1,017,000 (estimate), 2 years **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Ferraro Foods, Inc. and Affiliates **APPL.#35673**
LOCATION: Piscataway/Middlesex **BUSINESS:** transportation & logistics
GRANT AWARD: 60% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. McNamara **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

GRANT AWARD: \$1,129,500 (estimate), 2 years **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Latoof **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: ICUP, Inc. **APPL.#35666**
LOCATION: Pennsauken/Camden **BUSINESS:** wholesale
GRANT AWARD: 65% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. McNamara **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Excalibur Group, Inc.
LOCATION: Perth Amboy/Middlesex **BUSINESS:** medical device technology
GRANT AWARD: \$159,750 (estimate), 1 year **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Latoof **AYES:** 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

BOARD MEMORANDUMS

PROJECT: Foundation for Educational Administration, Inc. **APPL.#22322&22636**

LOCATION: Monroe Twp./Middlesex Cty.

FINANCING: \$4,000,000 Stand-Alone bond

REQUEST: Consent to either (a) a change in the reset date and call date on the existing bond to 5 years from the modification date or (ii) an interest rate change in the current fixed interest rate of 4.59% on the bond to the tax-exempt equivalent of LIBOR + 220 b.p. with a 5 year interest rate swap and call date; with a 7 year swap and call date or with a 10 year swap and call date.

MOTION TO APPROVE: Mr. Tolson SECOND: Ms. Perry AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PROJECT: Metro Packaging & Imaging, Inc. **APPL.#25779 & 25847**

LOCATION: Wayne/Warren Cty.

FINANCING: \$1,084,000 (50%) Statewide Loan Pool participation in \$2,168,000 bank loan and \$350,000 (25%) Main Street participation in \$1.4 million bank loan

REQUEST: Consent to the subordination on the new loan in exchange for a reduction in overall EDA exposure via the payoff of EDA's loan and improvement in our collateral position to pari passu on the \$1.96 million SLP loan.

MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Kosoffsky AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

PROJECT: Barclay's Bank Plc./ **APPL.#16324**

Lehman Brothers Holdings, Inc. (LBHI)

LOCATION: Various

FINANCING: \$49,800,000 Structured Financing

REQUEST: Extend the closing date from March 31, 2011 to September 30, 2011 on the transfer of Barclays of EDA's assets purchased by LBHI pursuant to a structured finance agreement.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 15

RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

The next item is a summary of projects approved under Delegated Authority in February 2011. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: Enviroprobe Service, Inc. and ETBF, LLC; Essex Coatings, LLC; Kaplanova Insurance Agency, LLC; Ralph & Rachelle Di Clemente and Daily Bread LLC d/b/a Bennie's Bread; RJ Medical Holdings LLC; Wayson LLC.

New Jersey Main Street Program: 22 Jackson Drive Associated, LLC

Preferred Lender Program: 502 Pleasant Valley, LLC

ECONOMIC DEVELOPMENT SITE GRANT PROGRAM

The next item is to confirm the eligibility of 25 Lafayette, LLC/Robert C. Halgas as a qualified project under Burlington County's EDSF grant.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Carden AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23**

The next item is to approve a \$1.793 million grant from the Economic Development Site Fund to the Camden County Improvement Authority for the development and construction of a new residential dormitory facility for Rutgers University in Camden City.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. McNamara AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

REAL ESTATE

The next item is to approve the award of leasing brokerage services contracts (2011 – RED – RFQ/P-BRK-0013) to Jones Lang LaSalle for the Technology Centre of New Jersey and the Waterfront Technology Center at Camden.

**MOTION TO APPROVE: Mr. Brown SECOND: Mr. Kosoffsky AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

Mr. Sarlo abstained because his firm has recently worked on a joint proposal with Jones Lang LaSalle.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss potential litigation related to a real estate contract matter.

**MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26**

The Board returned to Public Session.

The next item was to approve a payment for additional work to the Vitetta Group, Inc of up to \$40,000 pending review by staff and the Attorney General's office.

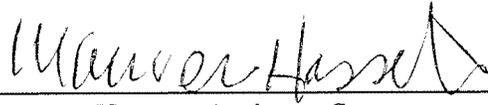
**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Tolson AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. McNamara, and seconded by Mr. Mr. Kosoffky, the meeting was adjourned at 12:40pm.

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