

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

April 12, 2011

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; 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, 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 from the meeting: Matt McDermott representing the Executive Branch; and Public Members: Laurence Downes and Richard Tolson.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Ed Pillsbury, Wayne Matorelli, Sudi Solomon, and John Dickerson, Deputy Attorneys General; 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 March 8, 2011 meeting minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Plofker, and was approved by the 11 voting members present.

The next item of business was the approval of the March 8, 2011 executive session minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Plofker, and was approved by the 11 voting members present.

Mr. Sarlo entered the meeting.

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

AUTHORITY MATTERS

The next item was discussion and action on the Authority's comprehensive annual report for 2010, as required under Executive Order No. 37 (2006).

MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

BOND RESOLUTIONS

PROJECT: Women in Support of the Million Man **APPL.#35518 & #35835**
March, Inc.

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building renovation & refinancing existing debt

FINANCING: \$3,000,000 Series A Qualified School Construction Bond, \$5,200,000 Series B tax-exempt bond, and \$800,000 Series C Taxable Bond

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. McNamara AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Camden Academy Charter High School **APPL.#34890**

LOCATION: Camden/Camden Cty.

PROCEEDS FOR: refinancing existing debt

FINANCING: \$2,467,080 Tax-Exempt Bond and/or Qualified School Construction Bond

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: Congregation and Yeshiva Ohr Elchonon, Inc. **APPL.#35711**

LOCATION: Lakewood/Ocean Cty.

PROCEEDS FOR: refinancing existing debt

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Brown AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PROJECT: DermaRite Industries LLC and/or Affiliates **APPL.#36073**

LOCATION: North Bergen/Hudson Cty.

PROCEEDS FOR: building acquisition and equipment purchase

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. McNamara AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Moorestown Friends School Assoc. **APPL.#36075**
LOCATION: Moorestown/Burlington Cty.
PROCEEDS FOR: refinancing existing debt
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Brown **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PROJECT: Triangle Manufacturing Co., Inc. **APPL.#36048**
LOCATION: Upper Saddle River/Bergen Cty.
PROCEEDS FOR: equipment purchase
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

DIRECT LOANS

PROJECT: Kontos Foods, Inc. and related entities **APPL.#35660**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: equipment purchase
FINANCING: \$1,093,000 direct loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Brown **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Shining Schools, Inc. **APPL.#36119**
LOCATION: East Orange/Essex Cty.
PROCEEDS FOR: building acquisition and renovation
FINANCING: \$550,000 direct loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Burke **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

SMALL BUSINESS FUND DIRECT LOAN PROGRAM

PROJECT: Advance Healthcare Services, Inc. **APPL.#35632**
LOCATION: Jersey City/Hudson
PROCEEDS FOR: working capital
FINANCING: \$125,000 Small Business Fund loan
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Kosoffsky AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

Mr. Latoof entered the meeting

PROJECT: Sequins Inc. DBA Sequin City **APPL.#35929**
LOCATION: North Bergen/Hudson
PROCEEDS FOR: acquisition of existing building
FINANCING: \$225,000 Small Business Fund loan
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

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: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Nilda Canilao **APPL.#35202**
LOCATION: Rochelle Park/Bergen
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$197,975 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Eduardo Fanio **APPL.#34500**
LOCATION: Shrewsbury Twp./Monmouth
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$138,385 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Arjun Goyal **APPL.#34465**
LOCATION: Egg Harbor/Atlantic Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$139,004 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Marian Hare **APPL.#34041**
LOCATION: Collingswood/Camden
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$235,000 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: David Merlino **APPL.#33540**
LOCATION: Red Bank/Monmouth
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$184,441 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Estate of Joseph Saitta **APPL.#34598**
LOCATION: Camden/Camden
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$36,610 Petroleum UST Remediation, Upgrade, & Closure Fund Loan.

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of March 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: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: City of Gloucester (Gloucester Titanium Site) **APPL.#34955**
LOCATION: Gloucester City/Camden Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$131,222 Hazardous Discharge Site Remediation Fund

PROJECT: City Works West Lake, LLC **APPL.#35515**
LOCATION: Neptune/Monmouth Cty.
PROCEEDS FOR: remedial action
FINANCING: \$75,542 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 March 2011. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

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

PROJECT: Brad's Raw Chips, LLC **APPL.#35664**
LOCATION: Trenton/Mercer **BUSINESS:** food products
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: FIMS Manufacturing Corporation **APPL.#35633**
(formerly IMS Tool, Inc.)
LOCATION: TBD **BUSINESS:** industrial/electrical equipment
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Mission Solutions Engineering, LLC **APPL.#35901**
LOCATION: TBD **BUSINESS:** professional services
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Latoof **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
GRANT AWARD: \$3,746,250 (estimate), 3 years **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Montrose Molders Corporation and Affiliates **APPL.#36047**
LOCATION: TBD **BUSINESS:** plastics
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Brown **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
GRANT AWARD: \$528,750 (estimate), 1 year **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Postcard Press, Inc. **APPL.#36025**
LOCATION: TBD **BUSINESS:** printing and publishing
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Puratos Corporation
LOCATION: Various **BUSINESS:** food products
GRANT AWARD: \$371,250 (estimate), 1 year **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Realogy Corporation
LOCATION: Various **BUSINESS:** real estate services
GRANT AWARD: \$10,721,250 (estimate), 5 years **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Ms. Perry **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: SYNEX Corporation **APPL.#36024**
LOCATION: TBD **BUSINESS:** wholesale
GRANT AWARD: 30% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES:** 12
Mr. Kosoffsky abstained because he is familiar with the lease.
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
GRANT AWARD: \$202,500 (estimate), 1 year **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16
Mr. Kosoffsky abstained because he is familiar with the lease.

PROJECT: Teachers Insurance and Annuity Association **APPL.#35906**
Of America
LOCATION: Woodbridge/Middlesex Cty. **BUSINESS:** financial services
GRANT AWARD: 80% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Brown **SECOND:** Mr. Latoof **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Vertellus Specialties Inc. **APPL.#35949**
LOCATION: Roxbury/Morris Cty. **BUSINESS:** advanced materials
GRANT AWARD: 30% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

ECONOMIC REDEVELOPMENT AND GROWTH (ERG) PROGRAM

The next item was discussion and action on proposed special adoption rules implementing the Economic Redevelopment and Growth (ERG) Program. The proposal memorializes guidelines for the program previously approved by the Board and reflects recent statutory revisions pursuant to P.L. 2010, C.10.

Ms. Franzini noted that the Incentives Committee of the Board had considered the proposal at its meeting last week. The proposal incorporates policies previously adopted by the Board considering calculations of the sales tax in the net benefits test; repayment of grants for large projects, and the treatment of infrastructure. Mr. McNamara acknowledged discussion at the Incentives Committee and recognized that the Act allowed for Special Adoption and that the proposal mirrors guidelines previously adopted, and reflects how the program is being administered. Submission of the proposal to the Office of Administrative Law is subject to review by Governor's Counsel and the Division of Law.

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

BOARD MEMORANDUMS

PROJECT: First Street Properties, LLC **APPL.#12177**

LOCATION: Perth Amboy/Middlesex Cty.

FINANCING: \$2,100,000 Stand-Alone bond

REQUEST: Consent to the modification of the existing bond interest rate provisions to allow a reduction from the existing rate of 5.25% to 5.00% fixed for five years.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Staub AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

The next item was discussion and action on staff's recommendation to not disqualify Novo Nordisk for its request for consent to an increase in the New Employment Commitment after a review of legal matters.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: Novo Nordisk, Inc. **APPL.#18102**

LOCATION: Princeton/Mercer Cty.

FINANCING: \$5,405,932 Business Employment Incentive Grant

REQUEST: Consent to an increase in the New Employment Commitment from 211 jobs to 414 jobs due to the company making additional significant capital investments at the project site.

MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

The next item was a list of the BEIP modifications and the BRRAG UEZ and Salem Sales Tax Exemption extensions that were approved in the 1st quarter ending March, 31, 2011. **(For Informational Purposes Only)**

The next item was a list of the actions approved under Delegated Authority by Post Closing Financial Services during the 1st quarter 2011. **(For Informational Purposes Only)**

The next item was a summary of projects approved under Delegated Authority in March 2011.

New Jersey Business Growth Fund: Gary R. Banks Industrial Group, LLC and Nominee; Q.W.L LLC; Swedish Auto Sports Inc. or Nominee; Wipe Out Productions, LLC

PNC Business Growth Fund – Modification: Ricetz Corporation; Ralph & Rachelle Di Clemente and Daily Bread, LLC d/b/a Bennie’s Bread

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss 1) recommendations of the hearing officer in connection with the Clean Energy Solutions ARRA CHP Program, 2) potential litigation related to a real estate contract matter, and 3) a remediation agreement.

MOTION TO APPROVE: Mr. Burke SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

The Board returned to Public Session.

CLEAN ENERGY SOLUTIONS

The next item was discussion and action on the hearing officer’s report in connection with applications for the competitive solicitation for the Clean Energy Solutions ARRA CHP Program and upholding the denials of AHS Hospital, Robert Wood Johnson University Hospital, Rutgers, the State University of New Jersey; and Montclair State University, and to reverse the denial for one applicant, RED-Burlington, LLC.

MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

Mr. Plofker abstained because he is on the Board of Overseers for Rutgers University.

PROJECT: RED-Burlington, LLC **APPL.#33802**

LOCATION: Burlington City/Burlington Cty.

PROCEEDS FOR: installation of a CHP energy system

FINANCING: \$1,365,300 Clean Energy Solutions ARRA CHP Grant

MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

The next item was to approve authorization to expend up to an additional \$30,000 through July 2011, increasing the contract budget of the Vitetta Group, Inc from \$11,983,000 to \$12,013,000.

**MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. Carden AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

The next item was to approve execution of an agreement between New Jersey Economic Development Authority, New Jersey Department of Environmental Protection, Lillian Applegate and ExxonMobil Corporation concerning responsibility for remediation at the project location.

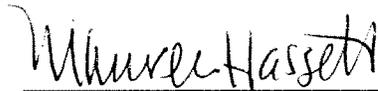
**MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Staub, and seconded by Mr. Brown, the meeting was adjourned at 12:30 pm.

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