

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

May 10, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Jim Kelly, representing the State Treasurer; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Ray Cantor representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Charles Sarlo; Laurence Downes; Steve Plofker; Dr. Randal Pinkett; Marjorie Perry; Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; Kevin Brown, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Public Member Timothy Carden.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney 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 April 13, 2010 meeting minutes, April 13, 2010 executive session minutes, April 15, 2010 special meeting minutes, and April 23, 2010 special meeting minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Burke, 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)**

The next item was a resolution acknowledging former Board members Jerry Zaro, Tom Manning, and Rich Tolson for their service.

MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

AUTHORITY MATTERS

The next item was to inform the Board of changes to committee memberships.

(For Informational Purposes Only)

The next item was to approve the recommendation of members to serve on the Evaluation Committee for the selection of the Authority's next independent auditor.

MOTION TO APPROVE: Mr. Downes SECOND: Ms. Perry AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

The next item was to approve the proposed readoption and recodification of rules implementing the Business Retention and Relocation Assistance Grant (BRRAG) Program, the BRRAG Tax Credit Certificate Transfer Program, the Sales and Use Tax Exemption Program, and the Energy Sales Tax Exemption for Certain Counties and authorize staff to file the reproposal with the Office of Administrative Law, subject to the approval of the Office of the Attorney General with a request to the Office of Administrative Law to hold the filing pending further instruction. Consistent with Office of Administrative Law procedure, instructions regarding publication of the reproposal will follow subsequently, subject to review by the Office of Administrative Law of the Governor's Office, including compliance with Executive Order No. 2 and the recommendations of the Red Tape Review Group.

MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

The next item was to approve the proposed amendments of rules implementing recent statutory revisions to the Technology Business Tax Certificate Transfer Program and authorize staff to file the proposal with the Office of Administrative Law, subject to the approval of the Office of the Attorney General with a request to the Office of Administrative Law to hold the filing pending further instruction. Consistent with Office of Administrative Law procedure, instructions regarding publication of the reproposal will follow subsequently, subject to review by the Office of Administrative Law of the Governor's Office, including compliance with Executive Order No. 2 and the recommendations of the Red Tape Review Group. Finally, applicants to the program will be advised of the rule proposal in order to provide guidance as to how the EDA will implement the statutory changes in the 2010 application cycle.

MOTION TO APPROVE: Mr. Plofker SECOND: Ms. Perry AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

BOND RESOLUTIONS

The next item was to authorize the Authority's staff to approve Montclair State University's application to develop a 567,000 SF facility that will include a 1,978 bed student dormitory and a 25,000 SF student dining facility under the Higher Education Private Public Partnership Program, P.L. 2009, c. 90.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Plofker AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Provident Group – Montclair Properties L.L.C. **APPL.#30305**
LOCATION: Little Falls/Passaic Cty.
PROCEEDS FOR: building construction
FINANCING: \$221,400,000 Tax-Exempt Bond and \$23,600,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Downes AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Dr. Susan A. Cole, President of Montclair State University, spoke in support of the project and thanked EDA staff.

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: The Kintock Group of New Jersey Inc. **APPL.#31130**
LOCATION: Bridgeton/Cumberland Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$3,500,000 Tax-Exempt Bond and \$300,000 Taxable Bond
MOTION TO APPROVE: Mr. Poliner SECOND: Dr. Pinkett AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

AMENDED BOND RESOLUTIONS

PROJECT: Register Lithographers, Ltd. **APPL.#18106**
LOCATION: Clifton/Passaic Cty.
FINANCING: \$7,300,000 Tax-Exempt Bond
REQUEST: Approval of an amended bond to modify the terms of the tax exempt bond.
MOTION TO APPROVE: Dr. Pinkett SECOND: Mr. Downes AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: SJF CCRC, Inc. **APPL.#31407**
LOCATION: Voorhees/Camden Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$3,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Concordia Learning Center at St. Joseph's School **APPL.#31231**
LOCATION: Jersey City/ Hudson Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$10,500,000 max Tax-Exempt Bond
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

CLEAN ENERGY SOLUTIONS

PROJECT: Anheuser-Busch Inc. **APPL.#29177珎**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: installation of a 7.3 megawatt cogeneration unit
FINANCING: \$4,000,000 Clean Energy Solutions Capital Investment Loan and \$1,000,000 Clean Energy Solutions Capital Investment Grant
This item was held from consideration.

PROJECT: NRG Thermal LLC, et al **APPL.#29702皞**
LOCATION: Plainsboro/Middlesex Cty.
PROCEEDS FOR: purchase and installation of an on-site energy center
FINANCING: \$3,000,000 Clean Energy Solutions Capital Investment Loan and \$2,000,000 Clean Energy Solutions Capital Investment Grant
MOTION TO APPROVE: Mr. Poliner SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

LOCAL DEVELOPMENT FINANCING FUND

The next item was a summary of the legal matter presented by ASA Apple, Inc. in their project occupant application which was filed in conjunction with the application by F. Greek Newco377, LLC a related entity which is seeking financial assistance from the Authority.

PROJECT: F. Greek Newco 377, LLC **APPL.#30383**
LOCATION: Carteret/Middlesex Cty.
PROCEEDS FOR: building construction
FINANCING: \$1,250,000 Local Development Financing Fund loan
MOTION TO APPROVE: Dr. Pinkett SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12
Mr. Kosoffsky recused himself because he works for the developer.

BROWNFIELD REIMBURSEMENT PROGRAM

PROJECT: F. Greek Newco 377, L.L.C.

LOCATION: Carteret/Middlesex Cty.

REIMBURSEMENT GRANT: Up to \$2,411,692

MOTION TO APPROVE: Mr. Plofker **SECOND:** Dr. Pinkett

AYES:13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

Mr. Kosoffsky recused himself because he works for the developer.

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: New Jersey Housing and Mortgage Finance Agency

APPL.#16969

LOCATION: Carteret/Middlesex Cty.

FINANCING: \$3,500,000 Economic Recovery Board loan

REQUEST: Approve the funding authorization of a \$3,500,000 increase to the \$5,000,000 loan to the HMFA to fund subsequent phases of the Camden Home Improvement Program.

MOTION TO APPROVE: Mr. Latoof **SECOND:** Dr. Pinkett

AYES:14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. Plofker

AYES:14

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Estate of Clara Bowens

APPL.#28029

LOCATION: Neptune/Monmouth Cty.

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$122,796 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Fouad Nouri

APPL.#30257

LOCATION: Paterson/Passaic Cty.

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$72,036 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: A.J. Leale

APPL.#28864

LOCATION: Montclair Twp./Essex Cty.

PROCEEDS FOR: site remediation

FINANCING: \$171,585 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Shore Point Marina & Yacht Sales **APPL.#28805**
LOCATION: Pine Beach/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$167,900 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 April 2010. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Latoof SECOND: Dr. Pinkett AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Township of Deptford (Frm Fazzio/Deptford Landfill) **APPL.#31397**
LOCATION: Deptford/Gloucester Cty.
PROCEEDS FOR: remedial action
FINANCING: \$5,000,000 Hazardous Discharge Site Remediation Fund

PROJECT: City of Gloucester (BP/ARCO) **APPL.#29178**
LOCATION: Gloucester/Camden Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$302,440 Hazardous Discharge Site Remediation Fund

PROJECT: City of Paterson (Belmont Apartments) **APPL.#31400**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: remedial action
FINANCING: \$305,743 Hazardous Discharge Site Remediation Fund

PROJECT: City of Salem (Tri County Oil) **APPL.#28391**
LOCATION: Salem/Salem Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$81,798 Hazardous Discharge Site Remediation Fund

PROJECT: Sayreville Economic Redevelopment Agency **APPL.#31417**
(Former National Lead)

LOCATION: Sayreville/Middlesex Cty.

PROCEEDS FOR: remedial action

FINANCING: \$5,000,000 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Woodbridge (Spector) **APPL.#30791**

LOCATION: Woodbridge/Middlesex Cty.

PROCEEDS FOR: site investigation

FINANCING: \$256,908 Hazardous Discharge Site Remediation Fund

PROJECT: C. Richard Barfuss **APPL.#30610**

LOCATION: Orange/Essex Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$101,000 Hazardous Discharge Site Remediation Fund

PROJECT: Haskell Products Inc./American Candle Company **APPL.#30192**

LOCATION: Totowa/Passaic Cty.

PROCEEDS FOR: remedial action

FINANCING: \$113,738 Hazardous Discharge Site Remediation Fund

PROJECT: Metuchen Assembly of God **APPL.#30525**

LOCATION: Metuchen/Middlesex Cty.

PROCEEDS FOR: remedial action/investigation

FINANCING: \$102,925 Hazardous Discharge Site Remediation Fund

PROJECT: NTM Properties, Inc. **APPL.#30198**

LOCATION: Kenilworth/Union Cty.

PROCEEDS FOR: remedial action

FINANCING: \$65,000 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 April 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Dr. Reddy's Laboratories, Inc. **APPL.#31275**
LOCATION: TBD **BUSINESS:** pharmaceuticals
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kosoffsky **AYES:**13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17
Mr. Sarlo abstained because Dr. Reddy's is a client of his firm.

PROJECT: JFC International Inc. **APPL.#31239**
LOCATION: Carteret/Middlesex Cty. **BUSINESS:** transportation & logisitcs
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Poliner **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Inter-Governmental Philatelic Corporation and **APPL.#31055**
Ideal Stamp Co.
LOCATION: South Planfield/Middlesex Cty. **BUSINESS:** wholesale
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Latoof **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Scientific Design Company, Inc. **APPL.#31316**
LOCATION: Little Ferry/Bergen Cty. **BUSINESS:** advanced materials
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Downes **AYES:**14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

Mr. Burke left the meeting at this time.

PROJECT: Shionogi USA, Inc. **APPL.#31293**
LOCATION: TBD **BUSINESS:** pharmaceuticals
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Latoof **AYES:**13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

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

The next item was to approve the Salem County Energy Sales Tax Exemption Renewal Application of J.E. Berkowitz, LP, a manufacturer that is located in Pedricktown. The estimated annualized U-STX benefit is \$79,000.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Downes AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

The next item was to delegate approval authority to staff at Level 3, defined as recommending officer with Director of Portfolio or Credit Underwriting with the SVP – Operations or alternately any SVP with both Directors, to extend the sales and use tax exemption under the UEZ Sales Tax Exemption for Manufacturers Program and the Salem County Sales Tax Exemption for Manufacturers Program.

MOTION TO APPROVE: Mr. Latoof SECOND: Dr. Pinkett AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

BOARD MEMORANDUMS

PROJECT: Alphon Corporation **APPL.#26084**

LOCATION: Princeton Junction/Mercer Cty.

FINANCING: \$1,000,000 Edison Innovation Fund Loan with warrants

REQUEST: Consent to 1) a \$10,000,000 line of credit and a \$5,000,000 term loan from Silicon Valley Bank; 2) to subordinate EDA's second lien on corporate assets to both credit facilities; and 3) to permit a shared lien in intellectual property.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Brown AYES:14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

The next item was a summary of projects approved under Delegated Authority in April 2010.
(For Informational Purposes Only)

New Jersey Business Growth Fund: CAD Signs, LLC or Nominee; Morris Graphics, Inc. and Jeffrey Morris; Prima Pain Relief, LLC or Nominee.

NJ Main Street Program: Bach Associates PC; Global Essence, Inc.

Small Business Fund: Ludwig Enterprises LLC

Camden ERB: Elee Porter Rotando

Small Business Fund Program - Modification: Hoboken Children's Academy II, LLC

PNC Business Growth Fund - Modifications: Peek a Boo Toys and 2901 Boardwalk LLC; South Jersey Water Test, LLC; WDDS Enterprises, Inc. and WD Associates

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Kosoffsky, and seconded by Mr. Latoof, the meeting was adjourned at 12:28 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