

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

May 13, 2011

MINUTES OF THE MEETING

Members of the Authority present: Vice Chairman Joseph McNamara, Acting Chairman; Matt McDermott representing the Executive Branch; 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: Laurence Downes, Marjorie Perry, Charles Sarlo, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Kevin Brown, Third Alternate Public Member.

Present via conference call: Steve Petrecca representing the State Treasurer, Timothy Carden, Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Al Koepp, Chairman; and Richard Tolson, Public Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Sudi Solomon, Deputy Attorney General; Nicole Crifo, Governor's Authorities' Unit; 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 April 12, 2011 regular and executive session meeting minutes. A motion was made to approve the minutes by Mr. Latoof, seconded by Mr. Burke, and was approved by the 13 voting members present.

The next item of business was the approval of the April 25, 2011 regular and executive session special meeting minutes. A motion was made to approve the minutes by Mr. Brown, seconded by Mr. Latoof, and was approved by the 13 voting members present.

Ms. Franzini stated that Board Member Steven Plofker had resigned from the board to accept an appointment to another board from Governor Christie. Vice Chairman McNamara asked for a resolution thanking Mr. Plofker for his service to the board. On a motion by Mr. Latoof, and seconded by Mr. Brown the resolution was approved.

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

BOND RESOLUTIONS

PROJECT: Triangle Manufacturing Co. Inc. **APPL.#36048**
LOCATION: Upper Saddle River/Bergen Cty.
PROCEEDS FOR: equipment purchase
FINANCING: \$2,750,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Latoof **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:1

PRELIMINARY RESOLUTIONS

PROJECT: Century Packaging, Inc. **APPL.#36372**
LOCATION: East Brunswick/Middlesex Cty.
PROCEEDS FOR: equipment purchase
MOTION TO APPROVE: Mr. Brown **SECOND:** Ms. Graves **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PROJECT: Congregation Meoros Nosson Inc. **APPL.#36404**
LOCATION: Lakewood/Ocean Cty.
PROCEEDS FOR: refinance existing debt
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Latoof **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Precision Properties, LLC. **APPL.#36566**
LOCATION: Plainfield/Union Cty.
PROCEEDS FOR: building acquisition
MOTION TO APPROVE: Mr. Brown **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:4

PROJECT: Postcard Press, Inc. **APPL.#36406**
LOCATION: TBD
PROCEEDS FOR: equipment purchase
MOTION TO APPROVE: Mr. Brown **SECOND:** Mr. Latoof **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

DIRECT LOANS

PROJECT: South Olden Avenue Realty Group **APPL.#36074**

LOCATION: Hamilton/Mercer Cty.

PROCEEDS FOR: building construction

FINANCING: \$785,000 direct loan

MOTION TO APPROVE: Mr. Brown **SECOND:** Ms. Perry **AYES: 12**

RESOLUTION ATTACHED AND MARKED EXHIBIT:6

Mr. Latoof abstained because he is on the board of a not-for-profit that leases properties from L & F Properties.

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Damascus Bakery NJ LLC **APPL.#36346**

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building acquisition

FINANCING: \$1,000,000 Local Development Financing Fund loan & modification of existing EDA direct loan

MOTION TO APPROVE: Mr. Staub **SECOND:** Mr. Latoof **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Damascus Bakery NJ LLC **APPL.# 17790**

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: building acquisition

REQUEST: \$499,283 Direct Loan modification to have NJEDA's third lien position on the real property changed to a fourth lien on this property.

MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Brown **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Damascus Bakery, Inc. **APPL.#17629**

LOCATION: Newark/Essex Cty.

FINANCING: \$7,750,000 Tax Exempt Bond with 12.9% Authority guarantee

REQUEST: Consent to change the existing fixed rate interest of 5.44% to a floating tax exempt equivalent rate of 30 day LIBOR + 275 basis points with an interest rate swap to the 11/01/2017 maturity.

MOTION TO APPROVE: Mr. Staub **SECOND:** Mr. Brown **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: The Cooper Health System **APPL.#35976**

LOCATION: Camden/Camden Cty.

FINANCING: \$1,000,000 non-recoverable grant from Higher Education and Regional Health Care Fund

REQUEST: Approve the funding authorization for a \$1 million non-recoverable grant under the Higher Education and Regional Health Care Development Fund to Cooper to fund a portion of the permanent financing for the Cooper Cancer Institute, a new, 5-story comprehensive cancer center.

MOTION TO APPROVE: Mr. Staub SECOND: Mr. Latoof AYES: 13
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. Latoof SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Globe Petroleum Inc. **APPL.#34177**

LOCATION: Red Bank/Monmouth

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$106,676 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Ramon Quinones **APPL.#34837**

LOCATION: North Plainfield/Somerset

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$128,886 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Tim Wallace **APPL.#34444**

LOCATION: Somers Point/Atlantic

PROCEEDS FOR: upgrade, closure and site remediation

FINANCING: \$168,036 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

FOR INFORMATION ONLY: Summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of April 2011.

INCENTIVE PROGRAMS

ITEM: Business Retention and Relocation Assistance Grant Sales and Use Tax Exemption (BRRAG STX) Proposed Rule Amendments

REQUEST: Approve proposed rule amendments to the BRRAG STX Program which conform to recent rule amendments recently approved by the EDA Board and proposed for adoption as part of the BRRAG Program; authorize staff to promulgate the amendments for rulemaking in the NJ Register.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

ITEM: Delegated Authority Revisions to Economic Redevelopment and Growth (ERG) Grant, Urban Transit Hub Tax Credit (HUB), and Business Retention and Relocation Assistance Grant (BRRAG)

REQUEST: Approve revisions to the incentives delegations to incorporate the new programs of ERG and HUB, consistent with other delegations to staff, and to revise the BRRAG delegations.

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

**BUSINESS EMPLOYMENT INCENTIVE PROGRAM, BUSINESS RETENTION AND
RELOCATION ASSISTANCE GRANT PROGRAM, AND SALES AND USE TAX
EXEMPTION**

PROJECT: Aeropostale, Inc. **APPL.#36345**
LOCATION: TBD & Wayne Twp./Passaic **BUSINESS:** business management
& support services

GRANT AWARD: 40% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Kosoffsky SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

GRANT AWARD: \$328,500 (estimate), 1 year Business Retention and Relocation Assistance Grant

MOTION TO APPROVE: Mr. Kosoffky SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Bed Bath & Beyond Inc. and Subsidiaries **APPL.#36408**
LOCATION: Union Twp./Union Cty. **BUSINESS:** business management &
support services

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

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Dicaperl Minerals Corp., Dicalite Management Group, Inc. **APPL.#36360**
and Affiliates

LOCATION: Pennsauken/Camden **BUSINESS:** manufacturing

GRANT AWARD: 80% **Business Employment Incentive grant**, 10 years

This item was held from consideration.

PROJECT: EMX, LP and Subsidiaries **APPL.#36331**

LOCATION: TBD **BUSINESS:** plastics

GRANT AWARD: 45% **Business Employment Incentive grant**, 10 years

MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Burke **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

GRANT AWARD: \$981,000 (estimate), 2 years **Business Retention and Relocation Assistance Grant**

MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Brown **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Farmers Insurance Exchange and Affiliates **APPL.#36409**

LOCATION: TBD **BUSINESS:** financial services

GRANT AWARD: 35% **Business Employment Incentive grant**, 10 years

MOTION TO APPROVE: Mr. Staub **SECOND:** Ms. Perry **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Farmers Insurance Exchange and Affiliates **APPL.#36567**

LOCATION: TBD **BUSINESS:** financial services

GRANT AWARD: 35% **Business Employment Incentive grant**, 10 years

MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Ms. Perry **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Hartford Fire Insurance Company **APPL.#36335**

LOCATION: Hoboken/Hudson Cty. **BUSINESS:** financial services

GRANT AWARD: 80% **Business Employment Incentive grant**, 10 years

This item was held from consideration.

PROJECT: Merisel Americas, Inc. and Affiliates **APPL.#36405**

LOCATION: Carlstadt/Bergen Cty. **BUSINESS:** printing & publishing

GRANT AWARD: 55% **Business Employment Incentive grant**, 10 years

MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Staub **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Realogy Corporation
LOCATION: Parsippany/Morris Cty. **BUSINESS:** real estate services
MAX PURCHASE AMOUNT: Up to \$25,060,000
ESTIMATED AWARD: \$1,445,987 Sales and Use Tax Exemption
MOTION TO APPROVE: Mr. Brown **SECOND:** Ms. Perry **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Rosetta Marketing Group, LLC **APPL.#36410**
LOCATION: TBD **BUSINESS:** professional services
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Latoof **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

GRANT AWARD: \$371,250 (estimate), 1 year **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Staub **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: Spectra East Inc. **APPL.#36407**
LOCATION: TBD **BUSINESS:** health care
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Graves **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

GRANT AWARD: \$3,105,000 (estimate), 3 years **Business Retention and Relocation Assistance Grant**
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Burke **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: TBB, Inc. d/b/a O Padeiro **APPL.#36371**
LOCATION: Woodbridge/Middlesex Cty. **BUSINESS:** food products
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Brown **SECOND:** Ms. Perry **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: ThromboGenics, Inc. and Affiliates **APPL.#36374**
LOCATION: TBD **BUSINESS:** biotechnology
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Latoof **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: VISH LLC **APPL.#36312**
LOCATION: N/A **BUSINESS:** manufacturing
GRANT AWARD: 30% **Business Employment Incentive grant**, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Perry **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

BOARD MEMORANDUMS

ITEM: Restructure of Defaulted Hazardous Discharge Site Remediation Fund (HDSRF) and Underground Storage Tank (UST) loans.

REQUEST: 1) Consent to restructuring defaulted HDSRF and UST loans for borrowers unable to repay within the maximum 10 year term in order to maximize collection opportunities while supporting the clean-up of environmentally contaminated sites and 2) delegate loan extension and restructuring approvals to the Director of Finance and Bond Management or Credit Underwriting.

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

PROJECT: Mybar Realty Company **APPL.#19033**

LOCATION: Newark/Essex Cty.

FINANCING: \$385,193 Hazardous Discharge Site Remediation Fund loan

REQUEST: 1) Extend the HDSRF loan maturity four years to 11/1/15 to provide necessary time to complete environmental remediation and to sell the subject property and 2) extend a second principal moratorium for twelve months to March 1, 2012 to provide continued payment relief.

MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Graves **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

FOR INFORMATION ONLY: The next item is a summary of projects approved under Delegated Authority in April 2011.

New Jersey Business Growth Fund: Executive Lawn Service, Inc. or Nominee

NJ Main Street Program: MammaMia Produce, LLC; Puerto Rican Action Board, Inc.

Preferred Lender Program: Bounderby, LLC

Preferred Lender Program – Modification: 502 Pleasant Valley LLC

AUTHORITY MATTERS

ITEM: US Treasury Grant Opportunity – State Small Business Credit Initiative (SSBCI)

REQUEST: Authorize the Chief Executive Officer to execute a grant agreement and other related documents for \$33,760,698 with the U.S. Treasury, subject to the Treasury’s approval of the EDA’s application.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Burke AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss restructuring of a loan for SWP Real Estate, LLC.

MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latoof AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

The Board returned to Public Session.

Executive Session Item: Consent to a principal moratorium on the subject bonds and approve a principal moratorium on the EDA direct loan in conjunction with EDA bond moratorium.

MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 13


RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Brown, and seconded by Ms. Perry, the meeting was adjourned at 11:20 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