

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

June 8, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca, representing the State Treasurer; Harold Wirth, Commissioner, Department of Labor and Workforce Development; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Charles Sarlo, Laurence Downes, Steve Plofker, Timothy Carden, 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.

Present via conference call: Joseph McNamara, Vice Chairman; and Dr. Randal Pinkett, Public Members.

Absent from the meeting: Ray Cantor representing the Commissioner of the Department of Environment Protection;

Also present: Caren Franzini, Chief Executive Officer of the Authority; Tom Hower, Governor's Authorities' Unit; Bette Renaud, Deputy Attorney Generals, 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 May 10, 2010 meeting minutes. A motion was made to approve the minutes by Mr. Kosoffsky, 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)**

AUTHORITY MATTERS

The next item was to approve the Memorandum of Understanding with the Port Authority of New York and New Jersey that provides for new overseas representation for New Jersey designed to stimulate investment from global sources into the State and to expand State exports to markets abroad.

**MOTION TO APPROVE: Mr. Brown SECOND: Mr. Plofker AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:1**

AMENDED BOND RESOLUTIONS

PROJECT: New Jersey-American Water Company, Inc. **APPL.#30553**
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: \$325,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Petrecca **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Springpoint Senior Living, Inc. Obligated Group **APPL.#10254**
LOCATION: Various
FINANCING: \$29,600,000 Tax-Exempt Bond
MODIFICATION: Approval of a supplemental loan and trust agreement to modify the interest rate of the tax-exempt bond.
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Yeshiva Orchos Chaim, Inc. **APPL.#28879**
LOCATION: Lakewood/Ocean Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$6,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kosoffsky **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Family Service of Burlington County, New Jersey **APPL.#31723**
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: \$4,675,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Perry **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
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: \$8,350,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Poliner SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Mr. McNamara left the call after the motion.

PRELIMINARY RESOLUTIONS

PROJECT: Mercer Street Friends **APPL.#31916**
LOCATION: Ewing/Mercer Cty.
PROCEEDS FOR: refinance existing debt
MOTION TO APPROVE: Mr. Carden SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Ray Burke, Chairman, Director's Loan Review committee provided an overview of the recent committee discussion that reviewed EDA programs that assist small businesses, including bank partnerships and staff approvals expedited by delegated authorities.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:8

PROJECT: Mary E. George **APPL.#31030**
LOCATION: Cherry Hill/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$113,214 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Isles Properties, Inc. **APPL.#30803**
LOCATION: Trenton/Mercer Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$115,862 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Jenny Lussa **APPL.#31175**
LOCATION: Rahway/Union Cty.
PROCEEDS FOR: upgrade, closure, and site remediation
FINANCING: \$132,664 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Joseph R. LaRose **APPL.#30925**
LOCATION: Cherry Hill/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$154,286 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: William P. Lyng **APPL.#30387**
LOCATION: Hackettstown/Warren Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$138,447 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Sparta United Methodist Church **APPL.#30668**
LOCATION: Sparta/Sussex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$318,467 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Geraldine Sulish **APPL.#30084**
LOCATION: Bordentown/Burlington Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$21,908 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 May 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. Carden SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:9

PROJECT: County of Essex (Passaic River Waterfront Park) **APPL.#31919**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$694,825 Hazardous Discharge Site Remediation Fund

PROJECT: City of Newark (Passaic River Waterfront Park) **APPL.#31918**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$421,169 Hazardous Discharge Site Remediation Fund

PROJECT: OWF, LLC **APPL.#31131**
LOCATION: Neptune/Monmouth Cty.
PROCEEDS FOR: preliminary assessment
FINANCING: \$250,000 Hazardous Discharge Site Remediation Fund Matching Grant

The next item was a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of May 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

The next item was to approve several changes to implementation of the Urban Transit HUB Tax Credit Program to improve its effectiveness and to comport with statutory requirements made in amendments to the HUB law. These include 1) limiting the maximum Urban Transit HUB award to the capital investment in the project; 2) modifying the treatment of existing jobs in the net benefit analysis; 3) providing a 25% bonus for jobs that are not at risk of leaving the State but are moving from suburban to urban locations; 4) providing a 25% bonus factor for logistics projects associated with freight rail and urban grocery stores; and 5) increasing the allocation cap of credits to the residential portion of the HUB program.

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

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: 4D Security Solutions, Inc. **APPL.#31759**
LOCATION: TBD **BUSINESS:** professional services
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: drugstore.com, inc. and subsidiaries **APPL.#31719**
LOCATION: TBD **BUSINESS:** transportation & logistics
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Mars Retail Group **APPL.#31814**
LOCATION: Mount Arlington/Morris Cty. **BUSINESS:** food products
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Poliner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Precise Corporate Printing, Inc. **APPL.#31294**
LOCATION: TBD **BUSINESS:** printing and publishing
GRANT AWARD: 25% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: SSM Industries, Inc. **APPL.#31718**
LOCATION: West Deptford/Gloucester Cty. **BUSINESS:** industrial/electrical equipment
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Poliner **SECOND:** Mr. Petrecca **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BRRAG TAX CREDIT TRANSFER PROGRAM

The next item was to approve the BRRAG Tax Credit Certificate Transfer Program application of American Van Equipment, Inc. to transfer unused tax credits to Apple, Inc.

MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Perry **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

UEZ/SALEM SALES TAX EXEMPTION PROGRAM

The next item was to approve the Urban Enterprise Zone Energy Sales Tax Exemption Application of Mallinckrodt Baker, Inc., a manufacturer that is located in Phillipsburg. The estimated annualized U-STX benefit is \$347,000.

MOTION TO APPROVE: Mr. Burke SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

BOARD MEMORANDUMS

PROJECT: Imperial Bag & Paper Company, Inc. **APPL.#10664**

LOCATION: Bayonne/Hudson Cty.

FINANCING: \$750,000 BEIP grant

REQUEST: Consent to the acquisition of operating assets of Imperial Bag and Paper Company, Inc. by Imperial Bag Holdings, LLC.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Burke AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: LifeCell Corporation **APPL.#10664**

LOCATION: Bayonne/Hudson Cty.

FINANCING: \$1,058,400 BEIP grant

REQUEST: Consent to the Kinetic Concepts, Inc. acquisition of LifeCell Corporation as its new parent company.

MOTION TO APPROVE: Mr. Poliner SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

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

New Jersey Business Growth Fund: Bartnik Properties, LLC and Clifton Wallington Medical Group PA; Bright Lights USA, Inc.; Ellis Real Estate Holdings LLC; Fries Mill Properties, LLC

NJ Main Street Program: Christopher Charles Fine Jewelry Corporation

REAL ESTATE

The next item was to ratify the decision of the Chief Executive Officer, the Senior Vice President of Operations, and the Director of Real Estate Development to declare an emergent condition at Authority-owned property located in Logan Township, New Jersey and select T&M Associates for engineering services.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Sarlo AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

The next item was to approve for the Authority to enter into a five-year lease with Sophion Bioscience, Inc. for 5,125 square feet of generic wet lab space in the Tech III building.

MOTION TO APPROVE: Mr. Sarlo SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PUBLIC COMMENT

Chairman Koeppe requested comments from the public.
There was no comment from the public.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and to enter into Executive Session to discuss a potential legal matter.

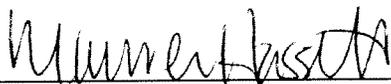
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

The next item was to reject Business Automation Technologies (d/b/a Data Network Solutions (DNS') Proposal for non-responsiveness to the requirements of the RFQ/P, to terminate the 2010-RFQ/P-035 selection process, and to continue the procurement of these services under 2010-RFQ/P-037.

MOTION TO APPROVE: Mr. Brown SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

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

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