

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

July 14, 2009

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; Jerold Zaro representing the Governor's Office; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Public Members: Steve Plofker, Timothy Carden, and Raymond Burke, First Alternate Public Member, and Elliot M. Kosoffsky, Second Alternate Public Member.

Absent from the meeting: James Kelly, representing the State Treasurer; Dan Ryan representing the Commissioner of the Department of Environment Protection; Public Members: Philip Kirschner, Charles Sarlo, Thomas Manning, Richard Tolson and Rodney Sadler, Non-Voting Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; bond counsel for the Authority; Edward Pillsbury, Deputy Attorney General, and guests.

Chairman Van Horn 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 June 9, 2009 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Plofker and was approved by the 8 voting members present.

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

AMENDED BOND RESOLUTIONS

PROJECT: New Jersey-American Water Company **APPL.#23612**
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: \$134,225,000 Tax-Exempt Refunding Bond, \$10,500,000 Tax Exempt Refunding Bond, and \$65,000,000 Tax-Exempt Refunding Bond
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Carden AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PROJECT: Friends Retirement Concepts, Inc. **APPL.#27455**
LOCATION: Bridgewater/Somerset Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$10,000,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

PRELIMINARY RESOLUTIONS

PROJECT: Transmediar Inc. or a Real Estate Holding Co. tbf **APPL.#27614**
LOCATION: Hillsborough/Somerset Cty.
PROCEEDS FOR: building acquisition/renovation
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

DIRECT LOANS

PROJECT: Phanie M. LLC **APPL.#27085**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: reimbursement of improvement costs
FINANCING: \$1,180,000 direct loan
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Sacko AC LLC

APPL.#27456

LOCATION: Atlantic City/Atlantic Cty.

PROCEEDS FOR: reimbursement of improvement costs

FINANCING: \$1,146,000 direct loan

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

AYES: 8

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

STATEWIDE LOAN POOL PROGRAM

PROJECT: Diamond Chemical Co., Inc.

APPL.#27153

LOCATION: East Rutherford/Bergen Cty.

PROCEEDS FOR: equipment acquisition

FINANCING: \$1,500,000 term loan with \$750,000 (50%) EDA participation

MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Carden **AYES: 8**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PROJECT: EJE Holdings L.L.C.

APPL.#27328

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: renovation and construction

FINANCING: \$2,375,000 bank loan with a \$475,000 (20%) EDA participation and a 25% guarantee of principal outstanding not to exceed \$475,000 for five years.

MOTION TO APPROVE: Mr. Kosoffsky **SECOND:** Mr. Carden **AYES: 8**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kosoffsky **AYES: 8**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Lillian Grippi Revocable Living Trust

APPL.#26058

LOCATION: Bloomfield/Essex Cty.

PROCEEDS FOR: site remediation

FINANCING: \$264,660 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Daniel Grumbine and Graham Bottrel **APPL.#26733**
LOCATION: Swedesboro/Gloucester Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$227,327 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Estate of Virginia DeSerio **APPL.#26312**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$11,526 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 June 2009. **(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. Kosoffsky AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PROJECT: City of Bridgeton (Abbott's Manufacturing) **APPL.#24601**
LOCATION: Bridgeton/Cumberland Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$161,507 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 June 2009. **(For Informational Purposes Only)**
Mr. McNamara entered the meeting at this time.

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Diversified Foam Products, Inc. **APPL.#27268**
LOCATION: Woolwich Twp/Gloucester Cty. **BUSINESS:** manufacturing
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: JVK Operations Ltd. of NJ
LOCATION: Westville/Gloucester Cty.
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
BUSINESS: personal services
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Poliner **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
APPL.#27323

PROJECT: Otsuka America Pharmaceutical, Inc.
LOCATION: West Windsor/Mercer Cty.
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
BUSINESS: pharmaceuticals
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Latoof **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
APPL.#27354

PROJECT: TD Bank, National Association
LOCATION: Mt. Laurel/Burlington Cty.
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
BUSINESS: financial services
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Carden **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
APPL.#27315

PROJECT: Telamon Corporation
LOCATION: TBD
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
BUSINESS: communications
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Burke **AYES:** 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
APPL.#27362
Mr. Kosoffsky abstained because his company is the leaseing and managing agent for the a applicant, and is the landlord through an affiliated company.

PROJECT: Psychogenics
LOCATION: TBD
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
BUSINESS: pharmaceuticals
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Carden **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
APPL.#27307

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: Diversified Foam Products, Inc.
LOCATION: Woolwich Twp./Gloucester Cty.
GRANT AWARD: \$88,400 (estimate), 5 years
BUSINESS: manufacturing
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Burke **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

The next item was to grant final approval of the Business Retention and Relocation Assistance Grant Tax Credit Certificate Transfer Program application of Ernst & Young LLP to transfer unused tax credits to the New York Football Giants, Inc.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Kosoffsky AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

BROWNFIELD REIMBURSEMENT PROGRAM

PROJECT: The Lofts at Garwood II, LLC
LOCATION: Garwood/Union Cty.
REIMBURSEMENT GRANT: Up to \$238,460

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Carden AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT:10

PROJECT: Advance at Hoboken, LLC
LOCATION: Hoboken/Hudson Cty.
REIMBURSEMENT GRANT: Up to \$4,889,025

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. McNamara AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Mr. Zaro abstained because of his affiliation with Rothschild, a partner with Advance at Hoboken, LLC.

PROJECT: Metuchen I, LLC
LOCATION: Metuchen/Middlesex Cty.
REIMBURSEMENT GRANT: Up to \$1,876,588

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Zaro AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT:12

UEZ/SALEM SALES TAX EXEMPTION

PROJECT: Mannington Mills, Inc.
LOCATION: Salem/Salem Cty.
TAX BENEFIT: \$500,000

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT:13

BOARD MEMORANDUMS

PROJECT: Central Comunal Borincano. **APPL.# 15189 & 15452**
LOCATION: Camden/Camden Cty.
FINANCING: \$526,198 CED loan and \$764,408 ERB loan
REQUEST: consent to modifying the variable rate interest on CED loan equal to WSJ Prime minus 2.0% to a fixed rate of 3.0% pursuant to EDA's loan pricing model.
MOTION TO APPROVE: Mr. Carden SECOND: Mr. McNamara AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Yeshiva of North Jersey

APPL.#13284

LOCATION: River Edge/Bergen Cty.

FINANCING: \$5,250,000 Tax-Exempt Bond

REQUEST: Consent to a change in the interest rate on the Bond from a fixed rate of 5.04% to a tax exempt equivalent floating rate of LIBOR plus 225 basis for 3, 7, or 10 years at the Borrower's option. At the end of this "Initial Period" the Bond will be priced at the floating tax-exempt equivalent of one-month LIBOR plus 325% basis points.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. McNamara AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Cedar Crest Village, Inc.

APPL.#17652

LOCATION: Pequannock/Morris Cty.

FINANCING: \$80,695,000 Tax Exempt Variable Rate Demand Revenue Refunding Bonds

REQUEST: Consent to allowing (i) the redemption of Series 2006A Bonds prior to the Series 2006B Bonds, (ii) the redemption to occur at a time designated by the Borrower, (iii) Borrower to increase the amount of Bonds permitted to be redeemed, and (iv) the modification of certain flow of funds provisions in the Indenture needed to facilitate the redemption.

**MOTION TO APPROVE: Mr. Burke SECOND: Mr. Latoof AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

The next item was a list of all BEIP modifications that were approved in the quarter ending June 30, 2009. **(For Informational Purposes Only)**

The next item was a summary of the Delegated Authority approvals prepared by Portfolio Services during the Second Quarter of 2009. **(For Informational Purposes Only)**

The next item was a summary of projects approved under Delegated Authority in June 2009. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: 1401 West Chapel LLC and Metro Public Adjustment, Inc.; 1602 New Road, LLC; 845 Frelinghuysen LLC and James Alexander Corp.; American Glass Crafters Inc. or Nominee; Atlantic Pediatric Dentistry or Nominee; Guggino Associates LLC; Industrial Machine Corporation and Nominee; Noonan Industries, LLC; Robert Mortka, or Nominee and Firepower EVR, Inc.; Scoots Properties, LLC and Property Damage, Inc. dba SERVPRO

NJ Main Street Program: 866 Bayway Circle L.L.C.; Imtek, LLC and Imtek of Illinois, Inc.; KRF, LLC; Savona Foods LLC; The Neon Edge, Inc.

Preferred Lender Program: 9255 Commerce LLC; ABC Sign Factory, LLC; Aiello Realty Holding, LLC; Metropolitan Camden Habitat for Humanity, Inc.; Paramount Bakeries Inc. and Shraga Zabludovsky and Linda Kiesel.

REAL ESTATE

The next item was to amend the budget for the Greystone Park Psychiatric Hospital project to increase the contract for Architectural/Engineering services to accommodate additional work requested by the Department of Human Services.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

The next item was to approve a Memorandum of Understanding to facilitate the acquisition and rehabilitation of 520 Broad Street, Newark to serve as a state office building for approximately 2,500 state employees.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES: 8
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18
Mr. Kosoffsky abstained because of his personal relationship with the Chairman of IDT, and stock ownership.**

The next item was to lease additional parking spaces for the Authority's use in the Barnes Street lot in Trenton.

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Kosoffsky AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

The next item was to grant S & P Donuts, a current tenant at the Trenton Office Complex's retail space, three consecutive renewal options for five years each in addition to the 5-year extension it is presently exercising.

**MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

AUTHORITY MATTERS

The next item was to approve entering into a contract with Development Counsellors International to provide business development consulting services to the Authority's Business Retention & Attraction Division (BRAD).

**MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 9
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21**

The next item was a summary of the FY 2010 state budget impact on EDA. **(For Informational Purposes Only)**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Latoof , and seconded by Mr. McNamara, the meeting was adjourned at 11:15 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