

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

July 15, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; John Hutchison representing the Executive Branch; Jim Kelly, representing the State Treasurer; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Michele Siekerka representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Public Members: Charles Sarlo; Timothy Carden; Laurence Downes; Steve Plofker; 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: Joseph McNamara, Vice Chairman; and Marjorie Perry, Public Members.

Also present: Caren Franzini, Chief Executive Officer of the Authority; 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

Chairman Koepp introduced new Members John Hutchison, Chief of Staff to the Lt. Governor, representing the Executive Branch, and Michele Siekerka representing the Commissioner of the Department of Environment Protection.

The next item of business was the approval of the June 8, 2010 meeting minutes amended to reflect that Dr. Randall Pinkett's term has expired in May. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Carden, and was approved by the 10 voting members present.

Ms. Siekerka abstained because she was not present.

Mr. Hutchinson abstained because he was not present.

The next item of business was the approval of the June 8, 2010 Executive Session meeting minutes amended to reflect that Dr. Randall Pinkett's term has expired in May. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Latoof, and was approved by the 10 voting members present.

Ms. Siekerka abstained because she was not present.

Mr. Hutchinson abstained because he was not present.

Ms. Franzini said the minutes would be released once the legal issues discussed in the session are resolved.

The next item of business was the approval of the June 17, 2010 special meeting minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Burke, and was approved by the 10 voting members present.

Ms. Siekerka abstained because she was not present.

Mr. Hutchinson abstained because he was not present.

The next item of business was the approval of the June 17, 2010 Executive Session special meeting minutes. A motion was made to approve the minutes by Mr. Poliner, seconded by Mr. Latoof, and was approved by the 10 voting members present.

Ms. Siekerka abstained because she was not present.

Mr. Hutchinson abstained because he was not present.

Ms. Franzini said the minutes would be released once the legal issues discussed in the session are resolved.

Chairman Koepp noted that Dr. Pinkett's term had expired in May 2010. He acknowledged his contribution and service to the EDA. He also noted that former Board Member Richard Tolson was appointed to fill Dr. Pinkett's position.

Mr. Koepp also acknowledged Kathie Stucy's strong leadership and guidance while at the EDA and wished her much success in her new position outside of the Authority.

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

Ms. Franzini acknowledged Kathie Stucy as an asset to the Authority and thanked her on behalf of the Senior Leadership Team.

Mr. Downes entered the meeting at this time.

AUTHORITY MATTERS

The next item was, in accordance with N.J.S.A. 52:14B-5.1c, approval of the proposed readoption and any non-substantive changes hereafter for submission to the Office of Administrative Law (OAL) to extend program regulations for the next five years, subject to review and approval by the Office of the Attorney General, and final comment by OAL. Amendments to the ERG fee language section on pages 29 and 30 were also approved.

**MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

PRELIMINARY RESOLUTIONS

PROJECT: The Atlantic City Sewerage Company **APPL.#32290**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: equipment purchase
MOTION TO APPROVE: Mr. Plofker SECOND: AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:2

PROJECT: TDAF I Pru Hotel Urban Renewal Company, LLC **APPL.#32289**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: building construction
MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PUBLIC HEARING ONLY

PROJECT: Springpoint Senior Living, Inc. Obligated Group* **APPL.#10254**
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: \$29,600,000 Tax-Exempt Bond
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

DIRECT LOANS

PROJECT: Phanie M. LLC **APPL.#32111**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: leasehold improvements and equipment purchase
FINANCING: \$1,100,000 Direct Loan
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PROJECT: Sacko AC LLC **APPL.#32138**
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: leasehold improvements and equipment purchase
FINANCING: \$1,100,000 Direct Loan
MOTION TO APPROVE: Mr. Sarlo SECOND: Mr. Poliner AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: Total Turf Experience, LLC **APPL.#32176**
LOCATION: Mantua/Gloucester Cty.
PROCEEDS FOR: building construction
FINANCING: \$1,250,000 Direct Loan
MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

STATEWIDE LOAN POOL

PROJECT: Metro130 Equities, LLC **APPL.#31998**
LOCATION: Carlstadt/Bergen Cty.
PROCEEDS FOR: building acquisition
FINANCING: \$2,030,000 bank loan with a \$450,000 (22%) Authority participation
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Poliner AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: 200 Hospital Plaza, Inc. **APPL.#31603**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: building construction
FINANCING: \$1,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8
Mr. Sarlo abstained because his firm is doing work on the project.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Downes AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Tanya Algozzini **APPL.#30783**
LOCATION: Barnegat/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$104,189 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Lillian Applegate (Former Theo's Auto Repair) **APPL.#30871**
LOCATION: South Amboy/Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$557,561 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: American Tire Center Inc. **APPL.#31183**
LOCATION: South Amboy/Middlesex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$483,326 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: DTR Automotive **APPL.#30601**
LOCATION: Closter/Bergen Cty.
PROCEEDS FOR: site investigation
FINANCING: \$114,510 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Harvest Outreach Ministry, Inc. **APPL.#31234**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: remediation
FINANCING: \$229,278 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Linda Keyek **APPL.#31079**
LOCATION: Audubon/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$154,920 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: John Millikin **APPL.#31166**
LOCATION: Mendham/Morris Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$161,046 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Sacred Heart Church (Convent) **APPL.#31516**
LOCATION: Bloomfield/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$191,645 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Sacred Heart Church (Nardiello Hall) **APPL.#31439**
LOCATION: Bloomfield/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$159,085 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Steininger Behavioral Care Services, Inc. **APPL.#28860**
LOCATION: Cherry Hill/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$125,122 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Women's Club of Upper Montclair **APPL.#31883**
LOCATION: Montclair/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$138,315 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 2010. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

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

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Camden Redevelopment Agency (Sears Tire and Battery) **APPL.#31427**
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$115,495 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Haddon (Lahn Property) **APPL.#31232**
LOCATION: Haddon Twp./Camden Cty.
PROCEEDS FOR: remedial action
FINANCING: \$124,928 Hazardous Discharge Site Remediation Fund

PROJECT: City of Perth Amboy (DPW and Former Landfill) **APPL.#31140**
LOCATION: Perth Amboy/Middlesex Cty.
PROCEEDS FOR: site investigation, remedial investigation, preliminary assessment
FINANCING: \$493,340 Hazardous Discharge Site Remediation Fund

PROJECT: Turkey Hill Realty Corporation **APPL.#31137**
(Former Martell Swine Farm)
LOCATION: Deptford/Gloucester Cty.
PROCEEDS FOR: remedial action
FINANCING: \$103,311 Hazardous Discharge Site Remediation Fund

PROJECT: Betty and Gerald Duncan and Campus Classics **APPL.#31683**
LOCATION: Mt. Laurel/Burlington Cty.
PROCEEDS FOR: remedial action
FINANCING: \$76,170 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 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Archimedes Pharma US Inc. **APPL.#32033**
LOCATION: TBD **BUSINESS:** biotechnology
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Aricent US Inc., DataLinx Corp. & Affiliates **APPL.#32169**
LOCATION: East Brunswick/Middlesex **BUSINESS:** electronic device technology
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Futurewei Technologies, Inc. **APPL.#32061**
LOCATION: TBD **BUSINESS:** electronic device technology
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Hilliard Farber & Co., Inc. **APPL.#32202**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** financial services
GRANT AWARD: 80% Business Employment Incentive grant, 4 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Poliner **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Procura Management Inc. **APPL.#31917**
LOCATION: Cranford Twp./Union Cty. **BUSINESS:** finance, insurance & real estate
GRANT AWARD: 45% Business Employment Incentive grant, 5 years
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Solar Nation Inc., and affiliates **APPL.#32118**
LOCATION: TBD **BUSINESS:** environmental device technology
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Tekni-Plex, Inc. **APPL.#32137**
LOCATION: TBD **BUSINESS:** paper/wood
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kelly **SECOND:** Mr. Kosoffsky **AYES:13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

GRANT AWARD: \$1,300 (estimate), 5 years Business Retention and Relocation Assistance Grant
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kelly **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

ECONOMIC REDEVELOPMENT AND GROWTH GRANT PROGRAM

PROJECT: Summerhill Square L.L.C.
LOCATION: East Brunswick/Middlesex Cty.
REIMBURSEMENT GRANT: Up to \$3,092,241
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Mr. Sarlo abstained because Mr. Pagano is a client of his firm's.

PROJECT: RBH-TRB Newark Holdings, LLC
LOCATION: Newark/Essex Cty.
REIMBURSEMENT GRANT: Up to \$20,548,344
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kelly **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

Mr. Carden abstained because he is Chair of one of the charter schools at the project.

Mr. Sarlo abstained because his firm is working on the project.

URBAN TRANSIT HUB TAX CREDIT PROGRAM

PROJECT: RBH-TRB Newark Holdings, LLC

LOCATION: Newark/Essex Cty.

MAX AMOUNT OF TAX CREDITS: Not to exceed \$17,384,620

MOTION TO APPROVE: Mr. Kelly **SECOND:** Mr. Brown **AYES:** 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

Mr. Carden abstained because he is Chair of one of the charter schools at the project.

Mr. Sarlo abstained because his firm is working on the project.

PROJECT: Boraie Development LLC

LOCATION: New Brunswick/Middlesex Cty.

MAX AMOUNT OF TAX CREDITS: Not to exceed \$19,886,090

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Chairman Koepp noted that the applicant has another project with the Authority and asked Ms. Franzini if she comfortable with the project proceeding. Or if there were any concerns regarding capacity. Ms. Franzini stated that in her discussions with the firm, they advised that financing for their projects are proceeding according to schedule, and they're also bringing on another firm to assist them. She added that the Authority will closely monitor the projects to ensure the all required conditions and timeframes are met as to their obligations.

Mr. Wasseem Boraie, CEO, Boraie Development stated that they have received an approval from the Historic Commission and that they were in discussions with the City of Newark in support of the Rector Street project with a RAB bond issuance of \$10 – 15 million proceeding well.

BOARD MEMORANDUMS

PROJECT: Lehman Brothers Holdings, Inc.

APPL.#16324

LOCATION: Various

FINANCING: \$49,800,000 Structured Financing

REQUEST: Postponing the July 22, 2010 acquisition deadline until September 22, 2010 to allow Barclays a reasonable amount of time to negotiate the fee for the acquisition of the assets.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: VPI Systems Inc. **APPL.#18345**

LOCATION: Holmdel/Monmouth Cty.

FINANCING: \$1,068,323 Edison Innovation Loan with warrants

REQUEST: Consent to the substitution of lender and an increase of the senior loan from \$750,000 to \$1,500,000 to facilitate the Borrower's refinance of the current SVB debt to Comerica, which will provide needed working capital.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Freedom Healthcare, LLC **APPL.#16452**

LOCATION: Hackensack/Bergen Cty.

FINANCING: \$78,400 Business Employment Incentive Program Grant

REQUEST: Consent to the acquisition of Freedom Healthcare, LLC by Freedom Eldercare, Inc., a newly formed entity.

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Plofker AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

The next item is a summary of BEIP modifications and the BRRAG UEZ and Salem Sales Tax Exemption extensions that were approved in the 2nd Quarter ending June 30, 2010. **(For Informational Purposes Only)**

The next item is a summary of the Delegated Authority approvals prepared by Portfolio Services for the 2nd Quarter of 2010. **(For Informational Purposes Only)**

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

New Jersey Business Growth Fund: Advanced Welding Services Inc. or Nominee; Goldberg Enterprises, Inc. or Nominee; JMC Glass LLC; Len Ram Realty, LLC;

Small Business Fund Program: Handicapped High Riders Club, Inc.; Miracles LLC

PNC Business Growth Fund – Modifications: Permalith Plastics, LLC

REAL ESTATE

The next item is to approve the recommendation to enter into a Parking Lot Lease Agreement for 35 non-exclusive parking spaces in the Barnes Street parking lot in Trenton with the New Jersey Schools Development Authority (NJSDA) for a five-year term.

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

The next item is to authorize execution of the attached Seventh Amendment to Ground Lease between the Authority and L'Oreal USA.

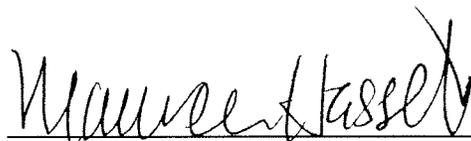
MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Burke AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PUBLIC COMMENT

There was no comment from the public.

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

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