

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

August 11, 2009

MINUTES OF THE MEETING

Members of the Authority present: Joseph McNamara, Vice Chairman; James Kelly, representing the State Treasurer; Dan Ryan representing the Commissioner of the Department of Environment Protection; 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: Philip Kirschner, Thomas Manning, Elliot M. Kosoffsky, Second Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Present via Phone: Carl Van Horn, Chairman; and, Raymond Burke, First Alternate Public Member.

Absent from the meeting: Jerold Zaro representing the Governor's Office; and Public Members: Timothy Carden, Steve Plofker, Charles Sarlo, and Richard Tolson.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, 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 July 14, 2009 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Manning, seconded by Mr. Poliner and was approved by the 9 voting members present.

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

BOND RESOLUTIONS

PROJECT: Century Packaging, Inc. **APPL.#26784**
LOCATION: East Brunswick/Middlesex Cty.
PROCEEDS FOR: equipment acquisition
FINANCING: \$2,535,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Manning **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT:1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Final Bond

PROJECT: Elysian Charter School of Hoboken **APPL.#26661**
LOCATION: Hoboken City/Hudson
PROCEEDS FOR: building renovation
FINANCING: \$3,920,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Manning **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT:2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Public Hearing Only

PROJECT: Giordano Vineland Scrap Material **APPL.# P24260**
LOCATION: Vineland/Cumberland Cty.
PROCEEDS FOR: finance machinery and equipment

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Greater Brunswick Regional Charter School or
related entity. **APPL.#26660**
LOCATION: New Brunswick/Middlesex Cty.
PROCEEDS FOR: building renovation
FINANCING: \$6,050,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Kosoffsky **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PROJECT: Greater Brunswick Charter School **APPL.#27102**
LOCATION: New Brunswick/Middlesex Cty.
PROCEEDS FOR: refinance existing debt and renovations
FINANCING: \$1,000,000 Main Street Business Assistance loan
MOTION TO APPROVE: Mr. Burke **SECOND:** Mr. Kosoffsky **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Mr. Latoof entered the meeting at this time.

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Central Jersey Waste & Recycling Inc. **APPL.#24882**
LOCATION: Trenton/Mercer Cty.
PROCEEDS FOR: equipment acquisition and building construction
FINANCING: \$1,500,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

PROJECT: New York Terminals II, LLC. **APPL.#27317**
LOCATION: Elizabeth/Union Cty.
PROCEEDS FOR: refinance existing debt and construction
FINANCING: \$2,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Poliner **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Latoof **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Martin Berlin **APPL.#26728**
LOCATION: Brick Twp./Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$118,695 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Mary Brasch **APPL.#27665**
LOCATION: Shrewsbury/Monmouth Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$392,611 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: George Johnston and Virginia Johnston **APPL.#26734**
LOCATION: Barrington/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$113,700 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Vincent Scaglione **APPL.#27286**
LOCATION: Wayne Twp./Passaic Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$125,695 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 July 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. Kelly SECOND: Mr. Latoof AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Township of Berkley (Bayview Park) **APPL.#26730**
LOCATION: Berkley/Ocean Cty.
PROCEEDS FOR: remedial action
FINANCING: \$297,468 Hazardous Discharge Site Remediation Fund

PROJECT: Jersey City Redevelopment Agency (Turnpike Dump #5) **APPL.#27474**
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$199,650 Hazardous Discharge Site Remediation Fund

PROJECT: Borough of Red Bank **APPL.#27889**
LOCATION: Red Bank/Monmouth Cty.
PROCEEDS FOR: remedial investigation

FINANCING: \$284,903 Hazardous Discharge Site Remediation Fund

PROJECT: Jewish Community Federation of Greater Clifton

APPL.#27092

LOCATION: Clifton/Passaic Cty.

PROCEEDS FOR: remedial action

FINANCING: \$253,593 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 July 2009. **(For Informational Purposes Only)**

CLEAN ENERGY SOLUTIONS

The next item is to approve scoring criteria to the Clean Energy Solutions Edison Innovative Projects Program approved at the June 9, 2009 meeting. The Board is also requested to approve a Memorandum of Understanding between the Board of Public Utilities and the Authority concerning EDA receipt and management of ARRA federal stimulus funds.

**MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Manning AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

The next item amends the Clean Energy Solutions Capital Investment program (CESCI): terms/conditions to authorize the Authority in cases where an applicant has a 10% or greater ownership in the project to rely on pro-forma financials to demonstrate that the project can achieve a DSCR of 1.2:1 and in addition to considering the assignment of other public grant funding in lieu of personal guarantees, authorize the Authority to seek assurances (e.g. guarantees, obligations, etc.) from the parent entity or other principals; other collateral; and/or the assignment of assets (e.g. renewable energy credits) that total 120% of the loan amount (as long as aggregate state funding does not exceed 50% of the project cost) as means to secure loan repayment and adequate DSCR.

**MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kirschner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: AustarPharma, LLC

APPL.#27662

LOCATION: Edison Twp./Middlesex Cty.

BUSINESS: pharmaceuticals

GRANT AWARD: 60% Business Employment Incentive grant, 10 years

**MOTION TO APPROVE: Mr. Kirschner SECOND: Mr. Latoof AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

PROJECT: I.D. Systems, Inc. **APPL.#27306**
LOCATION: TBD **BUSINESS:** electronic device technology
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Sanchez Cano S.A. and Affiliates **APPL.#27618**
LOCATION: Franklin/Somerset Cty. **BUSINESS:** food products
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Latoof **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Deloitte LLP **APPL.# 17444**
LOCATION: TBD
REQUEST: based on significant leasehold improvement of \$3.8 million and considering the impact of 950 new jobs in New Jersey with an average salary of \$105,000, staff recommends making an exception to the 20% cap. The term of the existing BEIP grant will not be extended as a result of this modification.
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Deloitte LLP **PPL.# 27838**
LOCATION: TBD. **BUSINESS:** financial advisory
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Latoof **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Direct Cabinet Sales **APPL.# 27731**
LOCATION: TBD **BUSINESS:** kitchen cabinetry
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Pitney Bowes Inc **APPL.# 27896**
LOCATION: TBD. **BUSINESS:** parcel shipping
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Manning **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: I.D. Systems, Inc.
LOCATION: Hackensack/Bergen Cty. **BUSINESS:** technology
GRANT AWARD: \$60,500 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: Medin Corporation & Fabulous Fabricators LLC
dba Source One
LOCATION: Patterson/Passaic Cty. **BUSINESS:** manufacturing
GRANT AWARD: \$142,800 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Direct Cabinet Sales
LOCATION: Linden/Union Cty **BUSINESS:** cabinetry
GRANT AWARD: \$60,500 (estimate), 5 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Pitney Bowes Inc
LOCATION: Clifton City/Passaic Cty **BUSINESS:** shipping
GRANT AWARD: \$187,200(estimate), 5 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kirschner **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

UEZ/SALEM SALES TAX EXEMPTION

PROJECT: E.I. du Pont de Nemours & Company
LOCATION: Deepwater/Salem Cty.
TAX BENEFIT: \$900,000
MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Poliner **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

BOARD MEMORANDUMS

PROJECT: The Acorn Montessori School, Inc. **APPL.# 16457**
LOCATION: Clinton Twp./Hunterdon Cty.
FINANCING: \$2,480,000 Tax-Exempt Bond

REQUEST: consent to a change in the amortization of the Bond from 20 years to interest only payments for one year followed by a 24 year amortization with a balloon payment due on the maturity date of July 1, 2026.

**MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Manning AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: ACLS Pleasantville, Inc. **APPL.#25412**

LOCATION: Pleasantville/Atlantic Cty.

FINANCING: \$575,414 Direct Loan

REQUEST: modify the Board's approval to allow the payment of interest expense on shareholder loans to the extent a minimum fixed charge coverage ratio is maintained as measured by Citizen's Bank

**MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18**

PROJECT: Landis Theater Properties, LLC **APPL.#22125**

LOCATION: Vineland/Cumberland Cty.

FINANCING: \$8,000,000 New Market Tax Credit Allocation

REQUEST: (1) increase the NMTC allocation approval for the Landis project from \$8 million to a maximum \$10.3 million and (2) modify the amount of the total recapture guarantee provided by the Authority to US Bank from \$2.64 million to a maximum \$4.02 million.

**MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kirschner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

PROJECT: Vineland Development Corporation **APPL.#26414**

LOCATION: Vineland/Cumberland Cty.

FINANCING: \$5,600,000 New Market Tax Credit Allocation

REQUEST: (1) increase the NMTC allocation approval for the Vineland Development Corporation Project from \$5.6 million to \$6.2 million and (2) modify the amount of the total recapture guarantee provided by the Authority from \$2.184 million to \$2.418 million.

**MOTION TO APPROVE: Mr. Manning SECOND: Mr. Kirschner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

The next item was to approve Valley National Bank as a Preferred Lender.

**MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Kosoffsky AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21**

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

New Jersey Business Growth Fund: PA.B. Inc. and The Boat House Restaurant, Inc.; Placko Signs, LLC or Nominee; R & R Investments LLC and R. Filderman and Sons dba R & R Associates; Severino Pasta Manufacturing Company Inc.

Fast Start Direct Loan Program: CarpetCycle, LLC; HHP Enterprises, LLC or Nominee; Mitchell Hardware Company.

NJ Main Street Program: Bylanda Foods, LLC; Duran & Pandos; Fulcrum Facilities Services, LLC; Swift Electrical Supply Company, Inc.

Preferred Lender Program: Parkway-Kew Corporation

REAL ESTATE

The next item was to enter into a License Agreement with Comcast Cable Communications Management, LLC, a service provider to tenants at the Waterfront Technology Center in Camden.

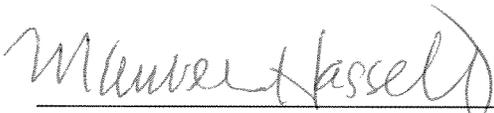
MOTION TO APPROVE: Mr. Latoof SECOND: Kirschner AYES: 10
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Kirschner, and seconded by Mr. Latoof , the meeting was adjourned at 11:00 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