

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

September 8, 2009

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, 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; James Moore representing the Commissioner of the Department of Labor and Workforce Development; Jerold Zaro representing the Governor's Office; Public Members: Steve Plofker, Philip Kirschner, Charles Sarlo, Thomas Manning, Richard Tolson; and Rodney Sadler, Non-Voting Member.

Present via Phone: Raymond Burke, First Alternate Public Member

Absent from the meeting: Public Members: Joseph McNamara, Vice Chairman; Timothy Carden, Elliot M. Kosoffsky, Second Alternate Public Member.

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 August 11, 2009 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Kirschner, seconded by Mr. Sarlo and was approved by the 11 voting members present.

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

Jerold Zaro entered the meeting at this time.

AUTHORITY MATTERS

The next item was to approve the committee appointments, appointment of the assistant secretaries, election of a vice chair and treasurer, and adopt a schedule for monthly Board meetings through September 2010.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:1**

The next item was to authorize the Chief Executive Officer to execute a grant agreement with Rutgers, The State University of New Jersey, to provide financial support for the New Jersey Small Business Development Centers (SBDCs) as approved in the FY2010 Appropriations Act in an amount not to exceed \$250,000.

**MOTION TO APPROVE: Mr. Kirschner SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:2**

Dr. Van Horn abstained due to the fact that he is a Rutgers University staff member.

The next item was a performance update of the Technical Assistance contract with UCEDC which was approved by the EDA Board in August 2008 as well as to inform the Board of the first renewal of the contract.

The next item was to approve proposed amendments to the rules implementing the Urban Transit Hub Tax Credit Program based on recent statutory revisions to the "Urban Transit Hub Tax Credit Act," P.L. 2007, c.346. Ms. Franzini also announced two additional revisions subject to Governor's Office approval: a provision that allows the EDA to administer a competitive award of tax credits at its discretion, and clarification that a tenant would not be charged a fiscal impact analysis fee if the owner of the building has been assessed this fee.

**MOTION TO APPROVE: Mr. Zaro SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:3**

The next item was an announcement by Ms. Franzini that the Technology Transfer Tax Credit Net Operating Loss Program action would be the subject of an upcoming Special Board Meeting with a date to be determined.

PRELIMINARY RESOLUTIONS

PROJECT: ADJ Realty NJ, LLC & E&T Plastic
Manufacturing Co. Inc. **APPL.#28139**
LOCATION: Teterboro/Bergen Cty.
PROCEEDS FOR: building acquisition & renovation
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Poliner **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT:4

PUBLIC HEARING ONLY

PROJECT: Greater Brunswick Regional Charter School
or related entity **APPL.#26660**
LOCATION: New Brunswick/Middlesex Cty.
PROCEEDS FOR: building renovation
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

FAST START DIRECT LOAN PROGRAM

PROJECT: Crown Veterinary Specialists, LLC **APPL.#27373**
LOCATION: Lebanon/Hunterdon Cty.
PROCEEDS FOR: equipment acquisition
FINANCING: \$300,000 Fast Start Direct Loan
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Poliner **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT:5

MAIN STREET BUSINESS ASSISTANCE PROGRAM

PROJECT: Grinnell Recycling, Inc. **APPL.#27660**
LOCATION: Sparta/Sussex Cty.
PROCEEDS FOR: refinancing existing debt
FINANCING: \$1.3 million Authority guarantee of a \$2.6 million TD Bank term loan
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Sarlo **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT:6

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: Camden Area Health Education Center **APPL.#202341**

LOCATION: Camden/Camden Cty.

FINANCING: \$26,630 ERB Recoverable Predevelopment Grant

MODIFICATION: approve funding authorization for a \$26,630 Recoverable Predevelopment Grant to Camden Area Health Education Center to help fund predevelopment activities for the renovation and restoration of their facility in Camden.

**MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:7**

PROJECT: Camden Redevelopment Agency **APPL.#18198**

LOCATION: Camden/Camden Cty.

FINANCING: \$2,300,000 ERB Non-Recoverable Grant

MODIFICATION: approve the funding authorization for a modification to the \$2,300,000 non-recoverable infrastructure grant to the Camden Redevelopment Agency to amend the scope of work to include additional infrastructure improvements necessary to support the development of a modern office and research complex.

**MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Kirschner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:8**

PROJECT: Heart of Camden **APPL.#16954**

LOCATION: Camden/Camden Cty.

FINANCING: \$1,150,000 ERB Non-Recoverable Grant

MODIFICATION: approve a modification to extend the grant term to December 31, 2009 for the \$1,150,000 non-recoverable infrastructure grant to the Heart of Camden to fund Phase I of the Environmental Mitigation and Landscape Master Plan for the Waterfront South neighborhood of Camden.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:9**

PROJECT: Oasis Housing, LLC **APPL.#20890**

LOCATION: Camden/Camden Cty.

FINANCING: \$360,000 ERB Recoverable Grant

MODIFICATION: approve a modification to the scope of the project and to extend the term of the \$360,000 soft loan commitment to Oasis Housing, LLC until October 31, 2010. The ERB soft loan will be used for permanent financing of the six market rate units of the Sycamore Street Housing Project in the Gateway Neighborhood.

**MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:10**

PROJECT: Puerto Rican Unity for Progress (PRUP) **APPL.#18785**
LOCATION: Camden/Camden Cty.
FINANCING: \$1 million ERB Public Purpose Grant
MODIFICATION: approve the funding authorization of PRUP's request for the \$705,000 balance of their \$1,000,000 Public Purpose Grant to fund the permanent financing on their new facility once the project is completed.
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:12

PROJECT: Prevost Enterprises, LTD **APPL.#25293**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$102,440 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 August 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. Ms. Franzini noted that a recent legal interpretation of an amendment to Art. VIII, section II, paragraph 6 of the New Jersey Constitution, effective Dec. 2003, has impacted how DEP oversight fees are funded. The program fund will no longer be used for these fees and applicants will be responsible for this cost.

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:13

PROJECT: City of Gloucester City (Gloucester Titanium Site) **APPL.#26358**
LOCATION: Gloucester Twp/Camden Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$434,025 Hazardous Discharge Site Remediation Fund

PROJECT: Borough of Somerville (Somerville Landfill) **APPL.#28140**
LOCATION: Somerville/Somerset Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$2,138,292 Hazardous Discharge Site Remediation Fund

PROJECT: Frank Graafsma **APPL.#26726**
LOCATION: Hawthorne/Passaic Cty.
PROCEEDS FOR: remedial action
FINANCING: \$88,555 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 August 2009. **(For Informational Purposes Only)**

EDISON INNOVATION FUND

PROJECT: The Talk Market **APPL.#27917**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: growth capital
FINANCING: \$750,000 Edison Innovation Fund investment
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Ryan **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT:14

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: ACE American Insurance Company and affiliates **APPL.#28056**
LOCATION: TBD **BUSINESS:** finance/insurance/ real estate
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Zaro **SECOND:** Mr. Manning **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Asurion Insurance Services, Inc. **APPL.#28043**
LOCATION: TBD **BUSINESS:** financial services
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Ryan **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Aurobindo Pharma U.S.A., Inc. **APPL.#28142**
LOCATION: TBD **BUSINESS:** pharmaceuticals
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Moore AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Logical Logistics LLC **APPL.#28073**
LOCATION: TBD **BUSINESS:** transportation & logistics
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Maplewood Beverage Packers, LLC **APPL.#27753**
LOCATION: Edison/Middlesex Cty. **BUSINESS:** food products
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning SECOND: Mr. Ryan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Maplewood Beverage Packers, LLC **APPL.#27753**
LOCATION: Edison/Middlesex Cty. **BUSINESS:** food products
GRANT AWARD: \$205,400 (estimate), 5 years Business Retention and Relocation Assistance Grant
MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Princeton Information Ltd. **APPL.#28094**
LOCATION: TBD **BUSINESS:** professional services
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: Proximo Spirits, Inc. & Jose Cuervo International, Inc. **APPL.#28046**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** wholesaler
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Sarlo SECOND: Mr. Poliner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

PROJECT: SCS Commodities Corp. and SCS OTC Corp. **APPL.#28001**
LOCATION: TBD **BUSINESS:** financial services
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Manning AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: Maplewood Beverage Packers, LLC **APPL.#27753**

LOCATION: Edison/Middlesex Cty. **BUSINESS:** food products

GRANT AWARD: \$205,400 (estimate), 5 years Business Retention and Relocation Assistance Grant

MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Tolson AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT:17

PROJECT: Aerco International, Inc.

LOCATION: Mahwah/Bergen Cty. **BUSINESS:** manufacturing

GRANT AWARD: \$183,300 (estimate), 5 years

MOTION TO APPROVE: Mr. Manning SECOND: Mr. Poliner AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT:16

BOARD MEMORANDUMS

PROJECT: DPP Cirus, Inc. **APPL.# 10894**

LOCATION: Mt. Olive/Morris Cty.

FINANCING: \$362,260 Business Employment Incentive Program Grant

REQUEST: approval of: (1) sale of parent company, Diagnostic Products Corporation, to Siemens Medical Solutions (2) name change from Siemens Medical Solutions Diagnostics to Siemens Healthcare Diagnostics Inc. (3) continuation of BEIP grant notwithstanding legal issues reviewed by staff, in consultation with the Attorney General's Office.

This item was held from consideration.

PROJECT: Reldata, Inc. **APPL.#19795**

LOCATION: Parsippany/Morris Cty.

FINANCING: \$1,032,346 Edison Innovation Fund Loan

REQUEST: consent to a second 6-month moratorium through Feb 28, 2010 which will allow the company to receive an additional equity investment from lead investor Grazia Equity.

MOTION TO APPROVE: Mr. Tolson SECOND: Mr. Poliner AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT:18

PROJECT: Tris Pharma, Inc.

APPL.#18997 & 14809

LOCATION: South Brunswick/Middlesex Cty.

FINANCING: \$878,881 (20.41%) guarantee of a \$4,306,133 bond and \$738,934 guarantee (50%) of a \$1,477,869

REQUEST: Consent to a \$2 million line of credit from Provident Bank and approve the subordination of Authority's lien on business assets to support anticipated sales growth.

**MOTION TO APPROVE: Mr. Ryan SECOND: Mr. Tolson AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:19**

Mr. Zaro abstained due to the fact that he is a landlord of the facility.

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

New Jersey Business Growth Fund: Deli on the Go Realty, LLC and Deli on the Go, Inc.; Four Star Reproductions, Inc.; Lippincott Communications Inc. or Nominee; S Russomano & P Welding PTRS and Technitool, Inc.; Trost, Joseph A. & Pedano, Thomas J. or Nominee & Aures and Galey HVAC

Fast Start Direct Loan Program: Petrol Pump, LLC

NJ Main Street Program: 2 South Main, LLC; Absolutely Energized Solar Electric, Inc.; Preferred Children's Services, Inc.

Preferred Lender Program: Destination ImagiNation, Inc.; Prestige Hospitality Services, LLC and Prestige First Avenue Cleaning Corp. and 81 Saxon Avenue Corporation

Community Economic Development Program: The Newark Museum Association

REAL ESTATE

The next item was to enter into a License Agreement with Cablevision Systems, Corporation, a service provider to tenants at the Tech IV Building that is owned and operated by the Authority at the Technology Centre of New Jersey.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Zaro AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:20**

Dr. Van Horn abstained due to the fact that he knows members of Cablevision's senior management and has discussed business items (unrelated to this item) with them.

The next item was to award the demolition and related services contract to Brandenburg Industrial Service Company of Bethlehem, Pennsylvania and to establish a demolition budget for the Riverfront State Prison Demolition Project.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Moore AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:21**

Ms. Franzini noted that a bid protest had been received and a review process will be initiated with the appointment of a Hearing Officer. Staff will report back to the Board on the resolution of the matter. Dave Nuse and Donna Sullivan of the EDA Real Estate Division responded to Members inquiries on the selection process, specifically that it was a qualified low bid process; that site inspection was allowed; and the selected party would be responsible for any costs not approved under the budget; and that the bid protest was by the 4th ranked bidder and was centered on administrative items.

The next item was to approve a Funding and Reimbursement Agreement with the Delaware River Port Authority (DRPA) for the Authority's demolition, remediation, and site improvement of Riverfront State Prison in Camden.

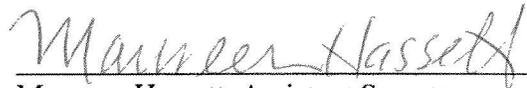
**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Kirschner AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:22**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Tolson, and seconded by Mr. Manning, the meeting was adjourned at 11:25 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