

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

September 16, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca representing the State Treasurer; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Magdalena Padilla representing the Commissioner of the Department of Environment Protection; Public Members: Joseph McNamara, Vice Chairman; Laurence Downes, 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: Richard Poliner representing the Commissioner of the Department of Banking and Insurance, and Public Members Timothy Carden, and Steve Plofker.

Absent: John Hutchison representing the Lt. Governor's office, and Public Members Charles Sarlo, and Richard Tolson.

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

The next item of business was the approval of the August 10, 2010 meeting minutes. A motion was made to approve the minutes by Mr. Latoof, seconded by Mr. Burke, and was approved by the 12 voting members present.

Mr. Sadler entered the meeting at this time.

Ms Padilla entered the meeting at this time.

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 is 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 2011.

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

The next item is to approve a Memorandum of Understanding between the Authority and the Department of State to assign staff from the EDA's Business Retention and Attraction Division to the Department of State.

**MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

The next item is to approve the Authority's independent auditor for fiscal years 2010-2012 (2010-RFQ/P-001).

**MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

The next item is a chart outlining the resolved executive session items from the past calendar year. **(For informational purposes only)**

AMENDED BOND RESOLUTIONS

The next item is to approve supplemental loan agreements and trust indentures for each of the three series of tax exempt bonds for Pivotal Utility Holdings, Inc. to terminate and cancel the insurance policies provided by the insurers insuring the payment of the series bonds at the request of the sole bondholder and the remarketing of the bonds with the new letter of credit. As the Modification Request provides for the remarketing of each bond series at the same time with new credit enhancement and without the distressed bond insurers; staff recommends and requests the adoption of three (3) separate amended bond resolutions as follows:

The adoption of an Amended Bond Resolution for the 1996 Bonds (Appl. # P08623) to approve (i) the termination and cancellation of the insurance policy provided by Ambac; (ii) the addition of a new letter provided by JPMorgan Chase Bank, N.A. to secure the 1996 Bonds; (iii) the subsequent remarketing of the bonds by J.P. Morgan Securities LLC with the new letter of credit; and (iv) other necessary action that may be required to accomplish the foregoing.

**MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

The adoption of an Amended Bond Resolution for the 2005 Bonds (Appl. P16448) to approve (i) the termination and cancellation of the insurance policy provided by Ambac; (ii) the addition of a new letter provided by Bank of Tokyo-Mitsubishi UFJ, Ltd. to secure the 2005 Bonds; (iii) the subsequent remarketing of the bonds by SunTrust Robinson Humphrey with the new letter of credit; and (iv) other necessary action that may be required to accomplish the foregoing.

**MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

The adoption of an Amended Bond Resolution for the 2007 Bonds (Appl. P 18067) to approve (i) the termination and cancellation of the insurance policy provided by FGIC; (ii) the addition of a new letter provided by JPMorgan Chase Bank, N.A. to secure the 2007 Bonds; (iii) the subsequent remarketing of the bonds by J.P. Morgan Securities LLC with the new letter of credit; and (iv) other necessary action that may be required to accomplish the foregoing.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PROJECT: Public Service Electric and Gas Company **APPL.#33052**

LOCATION: Various

PROCEEDS FOR: refinance existing debt

FINANCING: \$100,000,000 Tax-Exempt Bond

MOTION TO APPROVE: Mr. Petrecca SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Chairman Koeppe abstained due to his prior association with PSEG.

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Bnos Bais Yaakov, Inc. **APPL.#33146**

LOCATION: Lakewood/Ocean Cty.

PROCEEDS FOR: refinance existing debt

FINANCING: \$3,800,000 Tax-Exempt Bond

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

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Children's Aid and Family Services, Inc. **APPL.#32828**

LOCATION: Paramus/Bergen Cty.

PROCEEDS FOR: refinance existing debt

FINANCING: \$2,000,000 Tax-Exempt Bank Qualified Bond

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Burke AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Children's Aid and Family Services, Inc. **APPL.#32829**
LOCATION: Paramus/Bergen Cty.
PROCEEDS FOR: refinance existing debt
FINANCING: \$1,975,000 Tax-Exempt Bank Qualified Bond
MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: Intermodal Materials Management, LLC **APPL.#32874**
LOCATION: North Bergen/Hudson Cty.
PROCEEDS FOR: building construction
MOTION TO APPROVE: Mr. Downes SECOND: Mr. Latoof AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Weiss-Aug Co., Inc. **APPL.#33025**
LOCATION: East Hanover/Morris Cty.
PROCEEDS FOR: equipment & machinery purchase
MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
Mr. Carden left the call at this time.

DIRECT LOANS

PROJECT: Fantasy Furniture, Inc. or Nominee **APPL.#32851**
LOCATION: Hillside/Union Cty.
PROCEEDS FOR: building acquisition
FINANCING: \$350,000 direct loan
MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:12

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

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

PROJECT: Linda Mahland Ballantine **APPL.#32750**
LOCATION: Eatontown/Monmouth Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$163,403 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Solomon's Service Station **APPL.#32026**
LOCATION: Ewing/Mercer Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$175,894 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Helen Tweed **APPL.#31141**
LOCATION: Shrewsbury/Monmouth Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$121,770 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Katie Wright **APPL.#32319**
LOCATION: Princeton/Mercer Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$140,704 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 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: Ms. Perry SECOND: Mr. Latoof AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Borough of National Park (Hawthorne Sanitary Landfill) **APPL.#32343**
LOCATION: National Park/Gloucester Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$104,946 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Woodbridge (Fifth District Park) **APPL.#32209**
LOCATION: Woodbridge/Middlesex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$287,087 Hazardous Discharge Site Remediation Fund

PROJECT: Teaneck Community Charter School **APPL.#32621**
LOCATION: Teaneck/Bergen Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$102,116 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 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Amneal Pharmaceuticals LLC and affiliates **APPL.#32941**
LOCATION: Piscataway/Middlesex Cty. **BUSINESS:** pharmaceuticals
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Downes **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: Flaum Appetizing Corp. **APPL.#32737**
LOCATION: TBD **BUSINESS:** food products
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Petrecca **SECOND:** Ms. Perry **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: FlightSafety International Inc. **APPL.#33007**
LOCATION: Teterboro/Bergen Cty. **BUSINESS:** educational services
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Petrecca **SECOND:** Ms. Perry **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: MedNet Healthcare Technologies, Inc. and affiliate **APPL.#32855**
LOCATION: TBD **BUSINESS:** health care
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Perry **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

PROJECT: MedNet Healthcare Technologies, Inc. and affiliate **APPL.#32855**
LOCATION: TBD **BUSINESS:** health care
GRANT AWARD: \$72,600 (estimate), 5 years Business Retention and Relocation Assistance Grant
MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Perry **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: Schar USA, Inc. **APPL.#32906**
LOCATION: Logan Twp./Gloucester Cty. **BUSINESS:** food products
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Kosoffsky **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

The next item was a request from Pfizer, Inc.
This item was withheld from consideration.

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

The next item was to approve the BRRAG Tax Credit Certificate Transfer Program application of Direct Cabinet Sales to transfer unused tax credits to Susquehanna Bank.
MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Perry **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

The next item was to approve the BRRAG Tax Credit Certificate Transfer Program application of Wyndham Worldwide Operations to transfer unused tax credits to Susquehanna Bank, Susquehanna Trust & Investment Company, and Susquehanna Commercial Finance.
MOTION TO APPROVE: Mr. Latoof **SECOND:** Ms. Perry **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

BROWNFIELD REIMBURSEMENT PROGRAM

PROJECT: Quick Chek Corporation
LOCATION: Bayonne/Hudson Cty.
REIMBURSEMENT GRANT: Up to \$447,527
MOTION TO APPROVE: Ms. Perry **SECOND:** Mr. Kosoffsky **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

URAN TRANSIT HUB TAX CREDIT PROGRAM

The next item was a request from Wakefern.
This item was withheld from consideration.

TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM

The next item was to approve a total of 68 benefit requests which have been evaluated according to the criteria established by the Members of the Board and met the criteria for approval. Disapproval is recommended for 21 benefit requests that failed any of the threshold criteria. These companies have not met the criteria for approval as described in the Project Score sheets.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Latoof AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

ECONOMIC REDEVELOPMENT AND GROWTH (ERG) GRANT PROGRAM

PROJECT: 810 Broad Street, LLC

LOCATION: Newark/Essex Cty.

REIMBURSEMENT GRANT: Up to \$4,700,238

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Burke AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

BOARD MEMORANDUMS

PROJECT: Tompkins Point Industrial Park, LLC

:APPL.#08526

LOCATION: Newark/Essex Cty.

FINANCING: \$1,857,000 Tax-Exempt Bond

REQUEST; Consent to an interest rate reduction from 6.0% to 4.0% and modification of the interest rate provisions of the conduit Bond

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof AYES:12

RESOLUTION ATTACHED AND MARKED EXHIBIT:22

The next item was a request from HK Buzby & Sons, Inc.

This item was withheld from consideration.

PROJECT: NRG Thermal LLC

APPL.#29072 & 30386

LOCATION: Plainsboro/Middlesex Cty.

FINANCING: \$3,000,000 CESCOI loan and \$2,000,000 CESCOI grant

REQUEST; (1) modify the board approval to reflect the additional indebtedness and base the cash flow analysis on the projected performance of NRG Princeton, NRG Thermal, and Northwind Phoenix; (2) approve the Authority to enter into a six month standstill agreement and (3) decrease the loan term from 10 years fully amortizing to five years fully amortizing.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Latoof AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

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

New Jersey Business Growth Fund: Joy Holding LLC or Nominee; Karatonis Realty, LLC;
Knock-out Graphics, Inc. or Nominee

PNC Business Growth Fund: Modification: Knockout Graphics, Inc.

Statewide Loan Pool Program Modification: Metro 130 Equities, LLC

REAL ESTATE

The next item is to approve (1) entering into a lease agreement with DCM Architecture and Engineering, LLC for approximately 2,548 square feet of fourth floor office space at the Waterfront Technology Center at Camden and (2) a Business Lease Incentive Grant for approximately \$22,932 payable over two years.

MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

The next item is to grant Laboratory Corporation of America (LabCorp), a current tenant at the Trenton Office Complex's retail space, a Lease extension of three years.

MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT:25

The next item is to add a termination option to the pending five-year lease execution with Sophion Bioscience, Inc. for 5,125 square feet of generic wet lab space in the Tech III building.

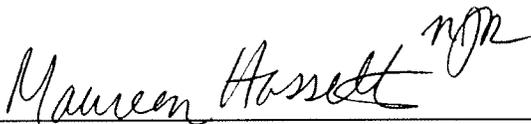
MOTION TO APPROVE: Mr. Petrecca SECOND: Ms. Perry AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Petrecca, and seconded by Ms. Perry, the meeting was adjourned at 11:35am.

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