

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 12, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; John Hutchison representing the Lt. Governor's office, Steve Petrecca representing the State Treasurer; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development, Richard Poliner representing the Commissioner of the Department of Banking and Insurance, Wayne Staub representing the Commissioner of the Department of Environment Protection, Public Members: Steve Plofker, Charles Sarlo, Laurence Downes, Marjorie Perry, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Kevin Brown, Third Alternate Public Member.

Present via conference call: Public Members: Joseph McNamara, Vice Chairman; Tim Carden, 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 September 16, 2010 meeting minutes. A motion was made to approve the minutes by Mr. Latoof, seconded by Ms. Perry and was approved by the 12 voting members present.

Mr. Staub abstained because he was absent.

Mr. Hutchison abstained because he was absent.

Mr. Carden joined the call.

Mr. Tolson joined the call.

The next item of business was the approval of the September 24, 2010 special meeting minutes. A motion was made to approve the minutes by Mr. Latoof, seconded by Mr. Burke, and was approved by the 13 voting members present.

Mr. Staub abstained because he was absent.

Mr. Hutchison abstained because he was absent.

Mr. Kosoffsky abstained because he was absent.

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 MOU between EDA and the Ft. Monmouth Economic Revitalization Authority (FMERA) to define the roles and responsibilities of EDA and FMERA with regard to Ft. Monmouth Office Personnel and Support Services and to accept a deferment of payment from FMERA to EDA for Support Services for the first 3 months of operations of the Fort Monmouth Office from October 1, 2010 through December 31, 2010.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Poliner AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

The next item is to approve a contract with Baldwin and Obenauf, Inc. to provide sales support and communications tools services to the EDA.

MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

The next item is an update of the technical assistance contract with UCEDC which was approved by the Board in 2008, as well as to inform the Board of the second renewal of the contract. (For Informational Purposes Only)

BOND RESOLUTIONS

PROJECT: Weiss-Aug Co., Inc. **APPL.#33025**
LOCATION: East Hanover/Morris
PROCEEDS FOR: equipment purchase
FINANCING: \$3,080,000 Tax-Exempt Bond and \$3,600,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latoof AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT:3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

AMENDED BOND RESOLUTIONS

PROJECT: WAB Associates LLC **APPL.#33054**
LOCATION: East Hanover/Morris
PROCEEDS FOR: refinance existing debt
FINANCING: \$1,065,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Brown AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Rutgers Preparatory School **APPL.#33463**
LOCATION: Franklin/Somerset Cty.
PROCEEDS FOR: building construction
FINANCING: \$6,000,000 Tax-Exempt Qualified Bond
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Sarlo AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

The next item was a request from Springpoint Senior Living, Inc. Obligated Group to refinance.

This item was withheld from consideration.

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: New York Terminals II, LLC/New York Commercial **APPL.#33662**
Lubricants, Inc.
LOCATION: Elizabeth/Union Cty.
PROCEEDS FOR: equipment purchase
FINANCING: \$2,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Brown SECOND: Ms. Perry AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Downes AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Boyce Brothers, LLC **APPL.#31950**
LOCATION: Edison/Middlesex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$220,898 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Ray Laue **APPL.#32554**
LOCATION: Lawrence/Mercer Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$566,538 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Manuel Martinez **APPL.#32355**
LOCATION: Belleville/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$102,299 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Jeffrey B. Odell **APPL.#31335**
LOCATION: Surf City/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$153,008 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Josephine E. Rolle **APPL.#30696**
LOCATION: Neptune/Monmouth Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$180,733 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: St. Joseph Church **APPL.#32378**
LOCATION: East Orange/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$301,705 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: The Sophie H. Sredzinski Revocable Trust **APPL.#30902**
LOCATION: Cliffside Park/Bergen Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: \$63,415 Petroleum UST Remediation, Upgrade, & Closure Fund Loan

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of September 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: Mr. Latoof SECOND: Ms. Perry AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

PROJECT: Milltown-Ford Avenue Redevelopment Agency **APPL.#33687**
LOCATION: Milltown/Middlesex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$182,169 Hazardous Discharge Site Remediation Fund

PROJECT: City of Newark (Scientific Chemical Process) **APPL.#32257**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$375,175 Hazardous Discharge Site Remediation Fund

PROJECT: City of Perth Amboy (Gilland Property) **APPL.#32902**
LOCATION: Perth Amboy/Middlesex Cty.
PROCEEDS FOR: remedial investigation and remedial action
FINANCING: \$128,968 Hazardous Discharge Site Remediation Fund

PROJECT: Palmer Industries, Inc. **APPL.#31550**
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: remedial action
FINANCING: \$182,734 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 September 2010. **(For Informational Purposes Only)**

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Alice & Olivia, LLC **APPL.#33455**
LOCATION: TBD **BUSINESS:** shipping/transportation
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Staub **AYES: 16**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Mallinckrodt Baker, Inc. and Affiliates **APPL.#33498**
LOCATION: Lopatcong/Warren Cty. **BUSINESS:** manufacturing
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Brown **AYES: 16**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

BUSINESS RETENTION AND RELOCATION ASSISTANCE GRANT

PROJECT: Marine Container Services, Inc.
LOCATION: Newark/Essex Cty. **BUSINESS:** logistics
GRANT AWARD: \$59,400 (estimate), 5 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Latoof **AYES: 15**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

Ms. Perry abstained.

ECONOMIC REDEVELOPMENT AND GROWTH (ERG) GRANT PROGRAM

The next item was a request from Pru Hotel Urban Renewal Company, LLC
This item was held from consideration.

URBAN TRANSIT HUB TAX CREDIT PROGRAM

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

Mr. Petrecca left the room
Mr. Petrecca returned.

The next item is staff's recommendation to add BPU Pay for Performance Program as an alternative approach to meeting green building's environmental and energy goals under the Urban Transit Hub and ERG programs.

MOTION TO APPROVE: Mr. Downes SECOND: Mr. Poliner AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

BOARD MEMORANDUMS

PROJECT: UBS Financial Services, Inc., **APPL.#12434**

UBS Services USA LLC, UBS Fiduciary Trust Company

LOCATION: Various/Hudson Cty.

FINANCING: \$28,238,750 Business Employment Incentive Program (BEIP) Grant

REQUEST; Consent to the administrative changes to the UBS Financial Services, Inc., BEIP grant to 1) add five entities to the grant, and 2) to reset the commencement date of the NOC VII grant from 2004 to 2007.

MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Mr. Sarlo abstained to avoid a potential conflict of interest.

PROJECT: Valera Pharmaceuticals, Inc. **APPL.#16247**

LOCATION: Cranbury Twp./Middlesex Cty.

FINANCING: \$86,295 Business Employment Incentive Program Grant

REQUEST: Consent to administrative changes in the grant.

MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Staub AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

The next item is a summary of actions approved under Delegated Authority by the Portfolio Services Division for 3rd Quarter 2010 **(For Informational Purposes Only)**

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

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

New Jersey Business Growth Fund: Galloway Pediatrics, LLC; Garden Land, LLC; Mechanical Precision, Inc. or Nominee

NJ Main Street Program: 30 Abeel Road, LLC; Adnarim Group, LLC and John and Olivera Miranda; Atlas Refinery, Inc.

Preferred Lender Program: ResinTech, Inc. & ResinTech Realty Association, LLC;
Stonehedge Group, LLC

Camden ERB: The Cooper Health System

REAL ESTATE

The next item is to approve the award of a building and demolition and remediation services contract with Richard e. Pierson Construction Co. for a property in Logan Township, Gloucester county.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Plofker AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

The next item is to approve the execution of a Memorandum of Understanding between the Authority and the Department of Treasury, Division of Purchase and Property, Office of Energy Savings, which will allow the Authority to participate in the New Jersey Consolidated Energy Supply Program for Natural Gas Supply.

MOTION TO APPROVE: Mr. Latoof SECOND: Mr. Brown AYES: 16
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Mr. Carden left the call.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a work out strategy with a borrower to protect the interests of the EDA.

MOTION TO APPROVE: Mr. Latoof SECOND: Ms. Perry AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

The next item was staff's recommendation on AC Beach Development Partners with regards to senior debt, New Markets Tax Credit Allocation, and loan status.

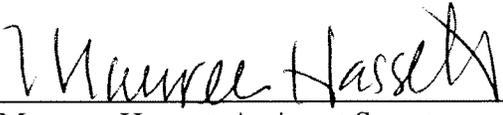
MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Kosoffsky AYES: 15
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Latoof, and seconded by Ms. Perry, the meeting was adjourned at 11:30 pm.

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