MINUTES OF THE MEETING

Members of the Authority present: Al Koeppe, Chairman; Matt McDermott representing the Executive Branch; Steve Petrecca representing the State Treasurer; Colleen Kokas representing the Commissioner of the Department of Environment Protection; Fred Zavaglia representing the Department of Labor and Workforce Development; Nancy Graves representing the Commissioner of the Department of Banking and Insurance; Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Marjorie Perry, Charles Sarlo, Harold Imperatore, Ray Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Brian Nelson, Third Alternate Public Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; Bette Renaud, Deputy Attorney General; Michele Brown, Governor’s Appointments Office; Brett Tanzman, Governor’s Authorities’ Unit and staff.

Absent from the meeting: Public Member Richard Tolson, and Rodney Sadler, Non-Voting Member.

Chairman Koeppe 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 14, 2012 regular meeting minutes, the August 21, 2012 strategic planning meeting minutes, and the August 22, 2012 special meeting minutes. A motion was made to approve the minutes by Ms. Perry, seconded by Ms. Graves, and was approved by the 14 voting members present.

The next item was a proclamation presented to Caren Franzini by Chairman Koeppe commemorating her 21 years of service at the EDA and her dedicated service to the Board. Chairman Koeppe read the proclamation aloud which noted that Ms. Franzini’s diplomatic and affirmative leadership and innovative ideas have resulted in numerous award-winning economic development projects and programs that have attracted national acclaim. The proclamation also noted that she has led the Authority as the State’s primary economic engine without parallel nationally, influenced hundreds of her colleagues, created and nurtured an unshakable culture of professionalism and fiscal responsibility at the Authority, anchored in her respect for the people she leads and the State she serves.
FOR INFORMATION ONLY: The next item was the presentation of the Chief Executive Officer’s Monthly Report to the Board.

AUTHORITY MATTERS

ITEM: EDA By-Law Changes
REQUEST: To approve amendments to the Authority’s by-laws.
MOTION TO APPROVE: Mr. McNamara SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: Annual Meeting
REQUEST: To approve the recommendations associated with the annual reorganization meeting.
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

FOR INFORMATION ONLY: The next item is a summary of the resolved executive session items.

BOND PROJECTS

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Bet Yaakov of the Jersey Shore, Inc. APPL.#37632
LOCATION: West Long Branch Borough/Monmouth
PROCEEDS FOR: Building Acquisition
FINANCING: $2,900,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None
PROJECT: Hudson Community Enterprises Inc. APPL.#37666
LOCATION: Jersey City/Hudson
PROCEEDS FOR: Equipment and Machinery Purchase
FINANCING: $760,000 est. (Part of a $1,520,000 Tax-Exempt Bond with P37700)
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Hudson Community Enterprises Inc. APPL.#37700
LOCATION: Jersey City/Hudson
PROCEEDS FOR: Refund
FINANCING: $760,000 est. (Part of a $1,520,000 Tax-Exempt Bond with P37666)
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Nelson AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Pingry Corporation APPL.#37686
LOCATION: Bernards Township/Somerset
PROCEEDS FOR: Refinancing
FINANCING: $2,800,000 Tax-Exempt Bond (Part of a $8,320,000 bond issue with P37688)
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Pingry Corporation APPL.#37688
LOCATION: Bernards Township/Somerset
PROCEEDS FOR: Refund
FINANCING: $5,520,000 Tax-Exempt Bond (Part of a $8,320,000 bond issue with P37686)
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Nelson AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: BWP School Partners LLC APPL.#37648
LOCATION: Newark City/Essex
PROCEEDS FOR: Building or Addition Construction
MOTION TO APPROVE: Mr. Nelson SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Ms. Perry recused herself because she is familiar with the project.
PUBLIC HEARING ONLY

PROJECT: Dakota Properties, Inc. LOCATION: Statewide/Multi County PROCEEDS FOR: Refinancing

PROJECT: Twin Oaks Community Services, Inc. LOCATION: Statewide/Multi County PROCEEDS FOR: Refinancing

LOANS/GRANTS/GUARANTEES

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following municipal projects were presented under the Hazardous Discharge Site Remediation Fund Program

MOTION TO APPROVE: Ms. Perry SECOND: Ms. Graves AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

PROJECT: Pastor Enterprises LOCATION: Middlesex Borough/Middlesex PROCEEDS FOR: Remedial Investigation FINANCING: $164,730 Hazardous Discharge Site Remediation Fund Grant

PROJECT: Township of Bridgewater (Dept Public Works Muni Garage) LOCATION: Bridgewater Township/Somerset PROCEEDS FOR: Remedial Action FINANCING: $115,526 Hazardous Discharge Site Remediation Fund Grant

PROJECT: Township of Haddon (Dy Dee Redevelopment Project) LOCATION: Haddon Township/Camden PROCEEDS FOR: Remedial Action FINANCING: $677,814 Hazardous Discharge Site Remediation Fund Grant

EDISON INNOVATION FUND

ITEM: Edison Innovation Venture Capital Growth Fund- Product Enhancement REQUEST: To approve amendments to the rules implementing the Edison Innovation Venture Capital Growth Fund program to raise the funding limit from $500,000 to $1 million.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Nelson AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8
PROJECT: Phone.com, Inc. APPL.#37701
LOCATION: Livingston Township/Essex
FINANCING: $600,000 Venture Capital Growth Fund Loan
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

INCENTIVE PROGRAMS

BUSINESS EMPLOYMENT INCENTIVE PROGRAM, BUSINESS RETENTION & RELOCATION ASSISTANCE GRANT PROGRAM

PROJECT: Celldex Therapeutics, Inc./Celldex Research Corp. (Celldex) APPL.#37665
LOCATION: Clinton Township/Hunterdon BUSINESS: Biotechnology
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Downes AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Everite Machine Products Co and Affiliates APPL.#37673
LOCATION: To be determined BUSINESS: Industrial/Electrical Equipment
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. Nelson AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Real Estate Mortgage Network, Inc. APPL.#37668
LOCATION: To be determined BUSINESS: Financial Services
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Real Estate Mortgage Network, Inc. APPL.#37669
LOCATION: To be determined BUSINESS: Financial Services
GRANT AWARD: $459,000 (est.), Business Retention and Relocation Assistance grant, 1 year
MOTION TO APPROVE: Mr. Nelson SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Spectrum Laboratory Products, Inc. APPL.#37678
LOCATION: New Brunswick City/Middlesex BUSINESS: Other Manufacturing
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. McDermott SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

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ECONOMIC REDEVELOPMENT AND GROWTH PROGRAM

Mr. McDermott left the room at this time.

PROJECT: DGMB Casino, LLC
LOCATION: Lacey/Ocean
REIMBURSEMENT GRANT: Up to $5,055,556
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McNamara AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Mr. Imperatore recused himself because a relative was involved with the project.

URBAN TRANSIT HUB TAX CREDIT PROGRAM

Mr. McDermott reentered the room at this time.

ITEM: Haddon Avenue UTH Limited Liability Company
REQUEST: To approve the Urban Transit Hub Tax Credit program application for Haddon Avenue UTH Limited Liability Company under P.L. 2007, c.346, P.L. 2008, as amended on July 26, 2011, for the amount of up to $50,306,363 or $5,030,636 annually for 10 years.
MOTION TO APPROVE: Mr. Burke SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: Urban Transit Hub Tax Credit Program GROW NJ Program – Report on Activity and Program Recommendations
REQUEST: To approve the $100 million UTHTC competitive residential solicitation and the recommendation to accept UTHTC and GROW NJ applications to exhaust the remaining balance.
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: Urban Transit Hub Tax Credit Program
$100 Million Residential Competitive Solicitation
REQUEST: To approve the $100 million UTHTC competitive residential solicitation, and threshold and scoring criteria.
MOTION TO APPROVE: Mr. Kosoffsky SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15
GROW NEW JERSEY ASSISTANCE PROGRAM

PROJECT: .com Distribution
LOCATION: Edison Township/Middlesex
REQUEST: To agree with the finding that jobs are at risk as represented in the CEO certification

MOTION TO APPROVE: Ms. Perry SECOND: Mr. Downes AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: .com Distribution
LOCATION: Edison Township/Middlesex
REQUEST: To approve the $40,000,000 Grow New Jersey award

MOTION TO APPROVE: Mr. Nelson SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

ITEM: Honeywell International, Inc.
REQUEST: Discussion and action on staff’s recommendation not disqualify Honeywell International, Inc. after the review of legal matters.

MOTION TO APPROVE: Mr. Nelson SECOND: Mr. Kosoffsky AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

Ms. Perry left the room.

PROJECT: Honeywell International, Inc.
LOCATION: Morris Township/Morris
REQUEST: To agree with the finding that jobs are at risk as represented in the CEO certification

MOTION TO APPROVE: Mr. Downes SECOND: Ms. Perry AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

Ms. Perry reentered the room

PROJECT: Honeywell International, Inc.
LOCATION: Morris Township/Morris
REQUEST: To approve the $40,000,000 Grow New Jersey award

MOTION TO APPROVE: Mr. Burke SECOND: Mr. Kosoffsky AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17
PROJECT: Spectra East, Inc.
LOCATION: Roseland Borough/Essex
REQUEST: To agree with the finding that jobs are at risk as represented in the CEO certification
MOTION TO APPROVE: Mr. Downes SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PROJECT: Spectra East, Inc.
LOCATION: Roseland Borough/Essex
REQUEST: To approve the $18,120,000 Grow New Jersey award
MOTION TO APPROVE: Mr. Nelson SECOND: Mr. Burke AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Spectra East, Inc.
LOCATION: Roseland Borough/Essex
GRANT AWARD: $1,864,693, Sales Tax Exemption Program, 5 years
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

TECHNOLOGY BUSINESS TAX CERTIFICATE TRANSFER PROGRAM

The next item is to approve 63 projects and disapprove 7 projects for the 2012 program cycle which have been evaluated according to the criteria established by the Members of the Board.
MOTION TO APPROVE: Ms. Perry SECOND: Mr. McDermott AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

BOARD MEMORANDUMS

ITEM: Transfer of Business Retention and Relocation Assistance Grant tax credits from IDL TechniEdge, LLC to GTE Wireless, Inc.
REQUEST: To approve the transfer of unused tax credits from IDL TechniEdge, LLC to GTE Wireless, Inc.
MOTION TO APPROVE: Ms. Perry SECOND: Mr. Kosoffsky AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

ITEM: ImClone Systems Incorporated/ImClone Systems Corporation
BEIP Grants: P10891, P13670, P21401
REQUEST: Discussion and action on staff’s recommendation not disqualify ImClone Systems Corporation after the review of legal matters.
MOTION TO APPROVE: Mr. Nelson SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24
ITEM: ImClone Systems Incorporated/ImClone Systems Corporation
BEIP Grants: P10891, P13670, P21401
Project Locations: Branchburg Campus and Bridgewater Campus

REQUEST: Consent to the acquisition of ImClone Systems Incorporated by Eli Lilly and Company and subsequent name change to ImClone Systems Corporation on its three incentive grants, and consent to remove 300 Somerset Corporate Boulevard, Bridgewater as a project location and replace it with 440 Route 22 East, Bridgewater; and approve ImClone LLC as an interim taxpaying entity prior to the newly formed ImClone Systems.

MOTION TO APPROVE: Ms. Perry SECOND: Mr. McNamara AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 25

FOR INFORMATION ONLY: The next item is a summary of the projects approved under Delegated Authority in August 2012:

New Jersey Main Street Program: Garton’s Rigging Inc.

PNC Business Growth Fund – Modification: Northforty, LLC

REAL ESTATE

ITEM: Directors and Officers of Bergen New Jersey, Inc. and
Aegis Camden Partners, Inc.
L-3 Project (formerly known as the Camden Aerospace Center)

REQUEST: To approve the designation of Directors and Officers for Bergen of New Jersey, Inc. and Aegis Camden Partners, Inc. to incorporate additional staff and titles effective October 1, 2012.

MOTION TO APPROVE: Mr. Downes SECOND: Mr. Sarlo AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26

ITEM: Update to Operating Authority – Real Estate Development Division

REQUEST: To approve the modification of the Real Estate Development Operating Authority to delegate authority to staff to select tenants and execute the Authority’s standard form of lease agreement for lab and office space up to 8,000 square feet.

MOTION TO APPROVE: Mr. Burke SECOND: Ms. Perry AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27
There was no comment from the public.

There being no further business, on a motion Ms. Perry, and seconded by Mr. McNamara, the meeting was adjourned at 12:10 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.

Caren Franzini, Secretary