NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
July 15, 2010

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; John Hutchison representing the Executive Branch; Jim Kelly, representing the State Treasurer; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Michele Siekerka representing the Commissioner of the Department of Environment Protection; Richard Poliner representing the Commissioner of the Department of Banking and Insurance; Public Members: Charles Sarlo; Timothy Carden; Laurence Downes; Steve Plofker; 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.

Absent from the meeting: Joseph McNamara, Vice Chairman; and Marjorie Perry, Public Members.

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

Chairman Koepp introduced new Members John Hutchison, Chief of Staff to the Lt. Governor, representing the Executive Branch, and Michele Siekerka representing the Commissioner of the Department of Environment Protection.

The next item of business was the approval of the June 8, 2010 meeting minutes amended to reflect that Dr. Randall Pinkett’s term has expired in May. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Carden, and was approved by the 10 voting members present.

Ms. Siekerka abstained because she was not present.
Mr. Hutchinson abstained because he was not present.

The next item of business was the approval of the June 8, 2010 Executive Session meeting minutes amended to reflect that Dr. Randall Pinkett’s term has expired in May. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Latoof, and was approved by the 10 voting members present.

Ms. Siekerka abstained because she was not present.
Mr. Hutchinson abstained because he was not present.
Ms. Franzini said the minutes would be released once the legal issues discussed in the session are resolved.

The next item of business was the approval of the June 17, 2010 special meeting minutes. A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Burke, and was approved by the 10 voting members present.  
Ms. Siekerka abstained because she was not present.  
Mr. Hutchinson abstained because he was not present.

The next item of business was the approval of the June 17, 2010 Executive Session special meeting minutes. A motion was made to approve the minutes by Mr. Poliner, seconded by Mr. Latooft, and was approved by the 10 voting members present.  
Ms. Siekerka abstained because she was not present.  
Mr. Hutchinson abstained because he was not present.  
Ms. Franzini said the minutes would be released once the legal issues discussed in the session are resolved.

Chairman Koepppe noted that Dr. Pinkett’s term had expired in May 2010. He acknowledged his contribution and service to the EDA. He also noted that former Board Member Richard Tolson was appointed to fill Dr. Pinkett’s position.

Mr. Koepppe also acknowledged Kathie Stucy’s strong leadership and guidance while at the EDA and wished her much success in her new position outside of the Authority.

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

Ms. Franzini acknowledged Kathie Stucy as an asset to the Authority and thanked her on behalf of the Senior Leadership Team.

Mr. Downes entered the meeting at this time.

**AUTHORITY MATTERS**

The next item was, in accordance with N.J.S.A. 52:14B-5.1c, approval of the proposed readoption and any non-substantive changes hereafter for submission to the Office of Administrative Law (OAL) to extend program regulations for the next five years, subject to review and approval by the Office of the Attorney General, and final comment by OAL. Amendments to the ERG fee language section on pages 29 and 30 were also approved.  
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Latooft AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 1
PRELIMINARY RESOLUTIONS

PROJECT: The Atlantic City Sewerage Company  APPL.#32290
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: equipment purchase
MOTION TO APPROVE: Mr. Plofker  SECOND:  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

PROJECT: TDAF I Pru Hotel Urban Renewal Company, LLC  APPL.#32289
LOCATION: Newark/Essex Cty.
PROCEEDS FOR: building construction
MOTION TO APPROVE: Mr. Poliner  SECOND: Mr. Plofker  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

PUBLIC HEARING ONLY

PROJECT: Springpoint Senior Living, Inc. Obligated Group*  APPL.#10254
LOCATION: Various
PROCEEDS FOR: refinance existing debt
FINANCING: $29,600,000 Tax-Exempt Bond
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

DIRECT LOANS

PROJECT: Phanie M. LLC  APPL.#32111
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: leasehold improvements and equipment purchase
FINANCING: $1,100,000 Direct Loan
MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Downes  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

PROJECT: Sacko AC LLC  APPL.#32138
LOCATION: Atlantic City/Atlantic Cty.
PROCEEDS FOR: leasehold improvements and equipment purchase
FINANCING: $1,100,000 Direct Loan
MOTION TO APPROVE: Mr. Sarlo  SECOND: Mr. Poliner  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 5
PROJECT: Total Turf Experience, LLC
LOCATION: Mantua/Gloucester Cty.
PROCEEDS FOR: building construction
FINANCING: $1,250,000 Direct Loan

MOTION TO APPROVE: Mr. Poliner  SECOND: Mr. Latoof
RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

AYES: 13

STATEWIDE LOAN POOL

PROJECT: Metro130 Equities, LLC
LOCATION: Carlstadt/Bergen Cty.
PROCEEDS FOR: building acquisition
FINANCING: $2,030,000 bank loan with a $450,000 (22%) Authority participation

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Poliner
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

AYES: 13

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: 200 Hospital Plaza, Inc.
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: building construction
FINANCING: $1,000,000 Local Development Financing Fund loan

MOTION TO APPROVE: Mr. Brown  SECOND: Mr. Poliner
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

AYES: 12

Mr. Sarlo abstained because his firm is doing work on the project.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

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

MOTION TO APPROVE: Mr. Poliner  SECOND: Mr. Downes
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

AYES: 13

PROJECT: Tanya Algozzini
LOCATION: Barnegat/Ocean Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $104,189 Petroleum UST Remediation, Upgrade, & Closure Fund Grant
PROJECT: Lillian Applegate (Former Theo’s Auto Repair)  APPL.#30871
LOCATION: South Amboy/Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: $557,561 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: American Tire Center Inc.  APPL.#31183
LOCATION: South Amboy/Middlesex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $483,326 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: DTR Automotive  APPL.#30601
LOCATION: Closter/Bergen Cty.
PROCEEDS FOR: site investigation
FINANCING: $114,510 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Harvest Outreach Ministry, Inc.  APPL.#31234
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: remediation
FINANCING: $229,278 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Linda Keyek  APPL.#31079
LOCATION: Audubon/Camden Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $154,920 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: John Millikin  APPL.#31166
LOCATION: Mendham/Morris Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $161,046 Petroleum UST Remediation, Upgrade, & Closure Fund Grant

PROJECT: Sacred Heart Church (Convent)  APPL.#31516
LOCATION: Bloomfield/Essex Cty.
PROCEEDS FOR: upgrade, closure and site remediation
FINANCING: $191,645 Petroleum UST Remediation, Upgrade, & Closure Fund Grant
PROJECT: Sacred Heart Church (Nardiello Hall)  
LOCATION: Bloomfield/Essex Cty.  
PROCEEDS FOR: upgrade, closure and site remediation  
FINANCING: $159,085 Petroleum UST Remediation, Upgrade, & Closure Fund Grant  

PROJECT: Steininger Behavioral Care Services, Inc.  
LOCATION: Cherry Hill/Camden Cty.  
PROCEEDS FOR: upgrade, closure and site remediation  
FINANCING: $125,122 Petroleum UST Remediation, Upgrade, & Closure Fund Grant  

PROJECT: Women’s Club of Upper Montclair  
LOCATION: Montclair/Essex Cty.  
PROCEEDS FOR: upgrade, closure and site remediation  
FINANCING: $138,315 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 June 2010. (For Informational Purposes Only)  

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM  
The following municipal and private projects and loans were presented under the Hazardous Discharge Site Remediation Fund Program.  
MOTION TO APPROVE: Mr. Pfister  
SECOND: Mr. Poliner  
AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10  

PROJECT: Camden Redevelopment Agency (Sears Tire and Battery)  
LOCATION: Camden/Camden Cty.  
PROCEEDS FOR: remedial investigation  
FINANCING: $115,495 Hazardous Discharge Site Remediation Fund  

PROJECT: Township of Haddon (Lahn Property)  
LOCATION: Haddon Twp./Camden Cty.  
PROCEEDS FOR: remedial action  
FINANCING: $124,928 Hazardous Discharge Site Remediation Fund
PROJECT: City of Perth Amboy (DPW and Former Landfill)  APPL.#31140
LOCATION: Perth Amboy/Middlesex Cty.
PROCEEDS FOR: site investigation, remedial investigation, preliminary assessment
FINANCING: $493,340 Hazardous Discharge Site Remediation Fund

PROJECT: Turkey Hill Realty Corporation  APPL.#31137
(Former Martell Swine Farm)
LOCATION: Deptford/Gloucester Cty.
PROCEEDS FOR: remedial action
FINANCING: $103,311 Hazardous Discharge Site Remediation Fund

PROJECT: Betty and Gerald Duncan and Campus Classics  APPL.#31683
LOCATION: Mt. Laurel/Burlington Cty.
PROCEEDS FOR: remedial action
FINANCING: $76,170 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 June 2010. (For Informational Purposes Only)

INCENTIVE PROGRAMS

BUSINESS INCENTIVE EMPLOYMENT PROGRAM

PROJECT: Archimedes Pharma US Inc.  APPL.#32033
LOCATION: TBD  BUSINESS: biotechnology
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker  SECOND: Mr. Carden  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Aricent US Inc., DataLinx Corp. & Affiliates  APPL.#32169
LOCATION: East Brunswick/Middlesex  BUSINESS: electronic device technology
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoff  SECOND: Mr. Carden  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

PROJECT: Futurewei Technologies, Inc.  APPL.#32061
LOCATION: TBD  BUSINESS: electronic device technology
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker  SECOND: Mr. Carden  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11
PROJECT: Hilliard Farber & Co., Inc.  
LOCATION: Jersey City/Hudson Cty.  
BUSINESS: financial services  
GRANT AWARD: 80% Business Employment Incentive grant, 4 years

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Poliner  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Procura Management Inc.  
LOCATION: Cranford Twp./Union Cty.  
BUSINESS: finance, insurance & real estate  
GRANT AWARD: 45% Business Employment Incentive grant, 5 years

MOTION TO APPROVE: Mr. Downes  SECOND: Mr. Plofker  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Solar Nation Inc., and affiliates  
LOCATION: TBD  
BUSINESS: environmental device technology  
GRANT AWARD: 35% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Latoof  SECOND: Mr. Carden  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PROJECT: Tekni-Plex, Inc.  
LOCATION: TBD  
BUSINESS: paper/wood  
GRANT AWARD: 35% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Kelly  SECOND: Mr. Kossoffsky  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

GRANT AWARD: $1,300 (estimate), 5 years Business Retention and Relocation Assistance Grant

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Kelly  AYES: 13  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

ECONOMIC REDEVELOPMENT AND GROWTH GRANT PROGRAM

PROJECT: Summerhill Square L.L.C.  
LOCATION: East Brunswick/Middlesex Cty.  
REIMBURSEMENT GRANT: Up to $3,092,241

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

Mr. Sarlo abstained because Mr. Pagano is a client of his firm’s.

PROJECT: RBH-TRB Newark Holdings, LLC  
LOCATION: Newark/Essex Cty.  
REIMBURSEMENT GRANT: Up to $20,548,344

MOTION TO APPROVE: Mr. Plofker  SECOND: Mr. Kelly  AYES: 11  
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13
Mr. Carden abstained because he is Chair of one of the charter schools at the project.
Mr. Sarlo abstained because his firm is working on the project.

URBAN TRANSIT HUB TAX CREDIT PROGRAM

PROJECT: RBH-TRB Newark Holdings, LLC
LOCATION: Newark/Essex Cty.
MAX AMOUNT OF TAX CREDITS: Not to exceed $17,384,620
MOTION TO APPROVE: Mr. Kelly SECOND: Mr. Brown AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

Mr. Carden abstained because he is Chair of one of the charter schools at the project.
Mr. Sarlo abstained because his firm is working on the project.

PROJECT: Boraie Development LLC
LOCATION: New Brunswick/Middlesex Cty.
MAX AMOUNT OF TAX CREDITS: Not to exceed $19,886,090
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Chairman Koepple noted that the applicant has another project with the Authority and asked Ms. Franzini if she comfortable with the project proceeding. Or if there were any concerns regarding capacity. Ms. Franzini stated that in her discussions with the firm, they advised that financing for their projects are proceeding according to schedule, and they’re also bringing on another firm to assist them. She added that the Authority will closely monitor the projects to ensure the all required conditions and timeframes are met as to their obligations.

Mr. Wasseem Boraie, CEO, Boraie Development stated that they have received an approval from the Historic Commission and that they were in discussions with the City of Newark in support of the Rector Street project with a RAB bond issuance of $10 – 15 million proceeding well.

BOARD MEMORANDUMS

PROJECT: Lehman Brothers Holdings, Inc. APPL.#16324
LOCATION: Various
FINANCING: $49,800,000 Structured Financing
REQUEST: Postponing the July 22, 2010 acquisition deadline until September 22, 2010 to allow Barclays a reasonable amount of time to negotiate the fee for the acquisition of the assets.
MOTION TO APPROVE: Mr. Brown SECOND: Mr. Kosoffsky AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16
PROJECT: VPI Systems Inc. LOCATION: Holmdel/Monmouth Cty.
FINANCING: $1,068,323 Edison Innovation Loan with warrants
REQUEST: Consent to the substitution of lender and an increase of the senior loan from $750,000 to $1,500,000 to facilitate the Borrower’s refinance of the current SVB debt to Comerica, which will provide needed working capital.
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Brown AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

FINANCING: $78,400 Business Employment Incentive Program Grant
REQUEST: Consent to the acquisition of Freedom Healthcare, LLC by Freedom Eldercare, Inc., a newly formed entity.
MOTION TO APPROVE: Mr. Poliner SECOND: Mr. Ploker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

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

The next item is a summary of the Delegated Authority approvals prepared by Portfolio Services for the 2nd Quarter of 2010. (For Informational Purposes Only)

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

New Jersey Business Growth Fund: Advanced Welding Services Inc. or Nominee; Goldberg Enterprises, Inc. or Nominee; JMC Glass LLC; Len Ram Realty, LLC;

Small Business Fund Program: Handicapped High Riders Club, Inc.; Miracles LLC

PNC Business Growth Fund – Modifications: Permalith Plastics, LLC
REAL ESTATE

The next item is to approve the recommendation to enter into a Parking Lot Lease Agreement for 35 non-exclusive parking spaces in the Barnes Street parking lot in Trenton with the New Jersey Schools Development Authority (NJSDA) for a five-year term.

MOTION TO APPROVE: Mr. Poliner	SECOND: Mr. Plofker	AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

The next item is to authorize execution of the attached Seventh Amendment to Ground Lease between the Authority and L’Oreal USA.

MOTION TO APPROVE: Mr. Latooof	SECOND: Mr. Burke	AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Brown, and seconded by Mr. Poliner, the meeting was adjourned at 12pm.

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