

## NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

February 14, 2017

### MINUTES OF THE MEETING

Members of the Authority present: Larry Downes, acting as Chairman; Commissioner Richard Badolato of the Department of Banking and Insurance; Peter Simon representing State Treasurer Ford M. Scudder; Jeffrey Stoller representing Acting Commissioner Aaron Fichtner of the Department of Labor and Workforce Development; Colleen Kokas representing Commissioner Bob Martin of the Department of Environmental Protection. Public Members: Fred B. Dumont, Philip Alagia, Massiel Medina Ferrara, William Layton, Patrick Delle Cava, First Alternate Public Member; and Harold Imperatore, Third Alternate Public Member.

Present via conference call: Public Members: Charles Sarlo and Rodney Sadler, Non-Voting Member.

Absent: Public Members: David Huber, and William J. Albanese, Sr., Second Alternate Public Member.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Bette Renaud; and staff.

Also present via conference call: Mary Maples, Governor's Authorities' Unit.

Mr. Downes called the meeting to order at 10:00 a.m.

Pursuant to the Internal Revenue Code of 1986, Ms. Orsen 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. Orsen 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 January 10, 2017 meeting minutes. A motion was made to approve the minutes by Mr. Layton, and seconded by Commissioner Badolato and was approved by the 11 voting members present.

The next item of business was the approval of the January 10, 2017 executive session meeting minutes. A motion was made to approve the minutes by Mr. Stoller, and seconded by Mr. Imperatore and was approved by the 11 voting members present.

The next item of business was the approval of the February 1, 2017 special meeting minutes. A motion was made to approve the minutes by Mr. Layton, and seconded by Mr. Stoller and was approved by the 11 voting members present.

**FOR INFORMATION ONLY:** The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.

### **AUTHORITY MATTERS**

**ITEM:** Memorandum of Understanding Between the Authority and the Office of the Secretary of Higher Education.

***THIS PROJECT WAS WITHHELD FROM CONSIDERATION.***

### **INCENTIVE PROGRAMS**

**ITEM:** Garden State Growth Zone Business Lease Incentive & Business Improvement Incentive Programs

**REQUEST:** To approve two proposed new pilot incentive programs - the Business Lease Incentive Program and the Business Improvement Incentive Program utilizing \$3 million in eligible Authority Funds.

**MOTION TO APPROVE:** Mr. Stoller      **SECOND:** Mr. Alagia      **AYES:** 11

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

### **Economic Redevelopment and Growth (ERG) Program**

**ITEM:** Rutgers, the State University of New Jersey      APPL.#43052

**REQUEST:** To approve the application of Rutgers, the State University of New Jersey for a Project located at three separate sites in Piscataway, Middlesex County, for the issuance of tax credits. The recommendation is to award 18.58% of actual eligible costs, not to exceed \$25,000,000 in tax credits base on the budget submitted.

**MOTION TO APPROVE:** Mr. Stoller      **SECOND:** Mr. Dumont      **AYES:** 11

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

### **Grow New Jersey Assistance Program**

**ITEM:** Builders FirstSource, Inc.      APPL.#44037

**REQUEST:** To approve the finding of jobs at risk.

**MOTION TO APPROVE:** Commissioner Badolato      **SECOND:** Mr. Huber      **AYES:** 11

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**ITEM:** Builders FirstSource, Inc.      APPL.#44037

**REQUEST:** To approve the application of Builders FirstSource, Inc.      for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Winslow Township, NJ. Project location of Winslow, Camden County qualifies as a Distressed Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Capital Investment in Excess of Minimum, Targeted Industry (Manufacturing). The estimated annual award is \$682,500 for a 10-year term.

**MOTION TO APPROVE:** Commissioner Badolato      **SECOND:** Mr. Stoller      **AYES:** 11

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

**ITEM:** E-Retail Manager, Inc. APPL.#44036  
**REQUEST:** To approve the application of E-Retail Manager, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in North Bergen, NJ. Project location of North Bergen, Hudson County qualifies as a Distressed Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The estimated annual award is \$220,000 for a 10-year term.  
**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Stoller **AYES:** 11  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**ITEM:** J. & K. Ingredients Corp. APPL.#44034  
**REQUEST:** To approve the finding of jobs at risk.  
**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Alagia **AYES:** 11  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**ITEM:** J. & K. Ingredients Corp. APPL.#44034  
**REQUEST:** To approve the application of J. & K. Ingredients Corp for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Paterson City, NJ. Project location of Paterson, Passaic County qualifies as a Garden State Growth Zone under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Deep Poverty Pocket, Transit Oriented Development, Jobs with Salary in Excess of GSGZ Average, Target Industry (Manufacturing), GSGZ Ind. Project w/ Cap. Inv. In Excess of Min. The estimated annual award is \$1,168,500 for a 10-year term.  
**MOTION TO APPROVE:** Mr. Simon **SECOND:** Mr. Imperatore **AYES:** 11  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

Ms. Ferrara entered the meeting at this time.

**ITEM:** Master Metal Polishing Corp APPL.#43893  
**REQUEST:** To approve the finding of jobs at risk.  
**MOTION TO APPROVE:** Commissioner Badolato **SECOND:** Mr. Delle Cava **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

**ITEM:** Master Metal Polishing Corp APPL.#43893  
**REQUEST:** To approve the application of Master Metal Polishing Corp for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Paterson City, NJ. Project location of Paterson, Passaic County qualifies as a Garden State Growth Zone Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Deep Poverty Pocket, Transit Oriented Development, Jobs with Salary in Excess of GSGZ Average, Target Industry (Manufacturing), GSGZ Ind. Project w/ Cap. Inv. In Excess of Min.. The estimated annual award is \$926,250 for a 10-year term.  
**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Stoller **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

**ITEM:** Spray-Tek, Inc. APPL.#44011  
**REQUEST:** To approve the finding of jobs at risk.  
**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Imperatore **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

**ITEM:** Spray-Tek, Inc. APPL.#44011  
**REQUEST:** To approve the application of Spray-Tek, Inc for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Middlesex Borough, NJ. Project location of Middlesex Borough, Middlesex County qualifies as a Priority Area under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Capital Investment in Excess of Minimum, Targeted Industry (Manufacturing). The estimated annual award is \$114,184 for a 10-year term.  
**MOTION TO APPROVE:** Mr. Layton **SECOND:** Mr. Alagia **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

**ITEM:** WallachBeth Capital, LLC. APPL.#44030  
**REQUEST:** To approve the application of WallachBeth Capital, LLC. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Jersey City, NJ. Project location of Jersey City, Hudson County qualifies as an Urban Transit HUB Municipality under N.J.S.A. 34:1B-242 et seq and the program's rules, N.J.A.C. 19:31-18. The project is eligible, pursuant to the statute, for bonus increases to the tax credit award for Transit Oriented Development, Jobs with Salary in Excess of County Average, Target Industry (Finance). The estimated annual award is \$481,250 for a 10-year term.  
**MOTION TO APPROVE:** Ms. Ferrara **SECOND:** Commissioner Badolato **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

**Grow New Jersey Assistance Program – Modifications**

**ITEM:** Safilo USA, Inc. APPL.#42468  
**REQUEST:** To approve the modification request to increase the size of the approved qualified business facility.  
**MOTION TO APPROVE:** Mr. Simon **SECOND:** Ms. Ferrara **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

**Business Employment Incentive Program – Modifications**

**ITEM:** DB Services New Jersey, Inc. APPL.#13761 & #17514  
**REQUEST:** To consent to a name change from DB Services New Jersey, Inc. ("DB Services") to DB USA Core Corporation ("DB USA").  
**MOTION TO APPROVE:** Mr. Stoller **SECOND:** Mr. Alagia **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**

## NJ Angel Investor Tax Credit Program Appeals

**ITEM:** Angel Investor Tax Credit Program - Appeals

**REQUEST:** Consent to the Heading Officer's recommendation to uphold the declination of a portion of the angel Tax Credit applied for by ETS Investors.

**MOTION TO APPROVE:** Commissioner Badolato **SECOND:** Mr. Delle Cava **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**

**ITEM:** Angel Investor Tax Credit Program - Appeals

**REQUEST:** Consent to the Heading Officer's recommendation to uphold the declination of a portion of the angel Tax Credit applied for by LP Investors.

**MOTION TO APPROVE:** Ms. Ferrara **SECOND:** Mr. Stoller **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

## BOND PROJECTS

### Bond Resolutions

**ITEM:** Edison Lithograph & Printing Corp.

APPL.#43088

**REQUEST:** To Authorize allocation of \$2,363,959.35 from 2017 Volume Cap to the Edison Lithograph & Printing Corp. manufacturing project.

**MOTION TO APPROVE:** Mr. Simon **SECOND:** Ms. Ferrara **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 17**

**ITEM:** ACMY, LLC

APPL.#43675

**LOCATION:** Piscataway, Middlesex County

**PROCEEDS FOR:** Renovation and Acquisition of existing building

**FINANCING:** \$5,300,000 Tax exempt bond

**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Stoller **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 18**

**PUBLIC HEARING:** Yes

**PUBLIC COMMENT:** None

### Amended Bond Resolutions

**ITEM:** Services for Children with Hidden Intelligence, Inc.

APPL.#43552

**LOCATION:** Lakewood Township, Ocean County

**PROCEEDS FOR:** Refund

**FINANCING:** \$11,562,000 Tax-Exempt Bond; \$1,988.00 Taxable Bond

**MOTION TO APPROVE:** Mr. Simon **SECOND:** Mr. Imperatore **AYES:** 11

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 19**

**PUBLIC HEARING:** Yes

**PUBLIC COMMENT:** None

Mr. Downes recused himself because New Jersey Resources provides charitable contributions to the applicant.

**ITEM:** Services for Children with Hidden Intelligence, Inc. APPL.#43551  
**LOCATION:** Lakewood Township, Ocean County  
**PROCEEDS FOR:** Mortgage  
**FINANCING:** \$10,638,000 Tax exempt bond  
**MOTION TO APPROVE:** Commissioner Badolato **SECOND:** Ms. Ferrara **AYES:** 11  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 20  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

Mr. Downes recused himself because New Jersey Resources provides charitable contributions to the applicant.

### Preliminary Resolutions

**ITEM:** United Parcel Service, Inc. APPL.#44026  
**LOCATION:** Newark City, Essex County  
**PROCEEDS FOR:** Construction of new building, renovation of existing and purchase of equipment and machinery  
**FINANCING:** \$66,800,000 in total project costs  
**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Stoller **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 21

### LOANS/GRANTS/GUARANTEES

#### Petroleum Underground Storage Tank (PUST)

**ITEM:** Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.

**PROJECT:** Dagastines Transfer, Inc. APPL.#42592  
**LOCATION:** Commercial Township, Cumberland County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$29,416  
**MOTION TO APPROVE:** Ms. Ferrara **SECOND:** Mr. Delle Cava **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 22

#### Hazardous Discharge Site Remediation Fund

**ITEM:** Summary of NJDEP Hazardous Discharge Site Remediation Fund Program projects approved by the Department of Environmental Protection.

**PROJECT:** City of Plainfield (Redemption Power) APPL.#42678  
**LOCATION:** Plainfield City, Union County  
**PROCEEDS FOR:** Remedial Investigation  
**FINANCING:** \$101,516  
**MOTION TO APPROVE:** Mr. Stoller **SECOND:** Mr. Delle Cava **AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT:** 23

## OFFICE OF RECOVERY

### Energy Resilience Bank (ERB)

**ITEM:** RWJ Barnabas- Livingston CHP Project

**REQUEST:** 1) To deem the RWJ Barnabas - Livingston CHP Project preliminarily eligible for ERB Funding, 2) Approve moving the project forward to the next phase, 3) Reserve \$12,858,502 of funds for the project, 4) Authorize the execution of ERB Funding documents

**MOTION TO APPROVE:** Mr. Delle Cava **SECOND:** Mr. Dumont **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 24**

### REAL ESTATE

**ITEM:** Trenton State Office Buildings Project, Health Agriculture Building, Architectural/Engineering & Construction Management Services

**REQUEST:** To approve of the selection of HDR, as Architectural/Engineering firm of record and Turner as the Construction Manager of record for the Health Agriculture Project in Trenton.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Imperatore **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 25**

**ITEM:** Trenton State Office Buildings Project, Taxation Building, Architectural/Engineering & Construction Management Services

**REQUEST:** Approval of the selection of Ballinger, as Architectural/Engineering firm of record and Torcon as the Construction Manager of record for the Taxation Project in Trenton.

**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Mr. Delle Cava **AYES:** 12

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 26**

### BOARD MEMORANDUMS

**FOR INFORMATION ONLY:** PUST and HDSRF Program Funding Status

**FOR INFORMATION ONLY:** Projects approved under Delegated Authority

**Premier Lender Program:** MCM Acquisitions, LLC and Swedesboro Animal Hospital, LLC (P43880)

**FOR INFORMATION ONLY:** Technology and Life Sciences Delegated Authority Approvals for 4th Quarter 2016

### PUBLIC COMMENT

Jeffrey Laurenti, Member, Stakeholders Allied for Core of Trenton, asked the Board to please reconsider the Trenton Health Agriculture Building, and the Trenton Taxation Building projects which were presented and approved at today's meeting. He asked the

board to remand the projects back to Treasury, as they do not comply with the City's Master Plan, and to reconsider the potential impact on the residents and business owners in the City of Trenton.

Ms. Iana Dikidjieva, Member, Stakeholders Allied for Core of Trenton stated that although she was happy to see development in Trenton, she wanted the board to "hit pause" on the two Trenton State Office Building projects that were presented at the meeting today and consider alternative sites that the State has access to.

Ms. Shakira Abdul – Ali, President, Alchemy Consulting, Trenton resident, and Member, Stakeholders Allied for Core of Trenton stated that she was pleased with the downtown program and encouraged the board to consider public/private partnerships, and asked the board to reconsider the location of the two projects presented today.

Mr. Jim Gordon, Member, Stakeholders Allied for Core of Trenton, asked the board to reconsider the location of the two Trenton State Office building projects as they do not conform with the City's Master Plan.

Mr. Roland Pott, President, Trenton Makes, Inc., and Trenton resident; stated that the two Trenton State Office Building projects were a once in lifetime projects and wondered if the EDA had considered how best to leverage them for economic development. He asked if the lowest rate possible had been obtained for the financing. He stated that he does not feel that the site on Warren Street is best to lead development of the Trenton 250 plan and asked if the EDA had studied the plan? He also pointed out that moving a building even one block farther away from the downtown will have a significant impact on downtown businesses.

Mr. John Vadnais, Sales Manager, Cherry Street Kitchen, Inc. stated that although his business is located on Pennsylvania Avenue, not downtown, he invested in the area because he wants what's best for Trenton and asked the Board to reconsider the location of the two Trenton State Office Building projects..

Ms. Francis, Chief of Staff, City of Trenton, Office of the Mayor, advised attendees on Mayor's position regarding the Trenton State Office Building projects. She stated that the Mayor acknowledges the impact that the projects may have on residents and business owners. She stated that many values and different views have been expressed, there's been healthy dialogue, there is one goal to improve the city and that this is a work in progress and hopefully all can meet on middle ground, and that the city is not the ultimate decision maker.

Mr. Downes added that the EDA was committed to the process and that staff would meet with several attendees at a meeting scheduled for later in the afternoon.

Mr. Fred Dumont, EDA Boardmember stated that Trenton State Office Building projects would create many jobs, including in the construction industry and that Torcon and Turner have committed to hiring local workers. He added that the last State Office Building constructed in Trenton was the R. J. Hughes Justice complex which was completed in 1981.



Ms. Jane Rosenbaum, 40 year Trenton resident stated that she was appreciative that the board was hearing members of the public regarding the State Office Building projects and that these were potential game changers that she wanted to see happen.

Ms. Diana Rogers, Director, Housing and Development, City of Trenton, reiterated that the Mayor's office was very much in support of moving these projects forward. She added that the State is a building block and the City sees the projects as a catalyst for investment in Trenton that supports their vision for the downtown. The City recognizes that the State workforce is the city's major day market. The State has committed to not including cafeterias in the new buildings in order to create more reasons for employees to walk streets and visit restaurants. The City believes that the transit location being spoken of for alternative sites are best preserved for private investment.

Mr. Dan Fatton, Executive Director, New Jersey Work Environmental Council, Trenton resident and member of the Planning board also asked the board to reconsider the location the two projects.

There being no further business, on a motion by Mr. Delle Cava, and seconded by Mr. Imperatore, the meeting was adjourned at 11:15 am.

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.



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Maureen Hassett, Sr. Vice President  
Governance, Communications and Strategic Initiatives  
Assistant Secretary