

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

June 13, 2017

Delaware River Port Authority
One Port Center, Camden

MINUTES OF THE MEETING

Members of the Authority present: Chairman Thomas Scrivo; Peter Simon representing State Treasurer Ford M. Scudder; Jeffrey Stoller representing Acting Commissioner Aaron Fichtner of the Department of Labor and Workforce Development; Dan Kennedy representing Commissioner Bob Martin of the Department of Environmental Protection; Public Members Larry Downes, Philip Alagia, Massiel Medina Ferrara, and Fred B. Dumont.

Present via conference call: Patrick Mullen representing Commissioner Richard Badolato of the Department of Banking and Insurance; Public Members Charles Sarlo, David Huber, William J. Albanese, Sr., Second Alternate Public Member; Harold Imperatore, Third Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent: Public Members: William Layton, and Patrick Delle Cava, First Alternate Public Member.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Gabriel Chacon; Thomas Huth, Governor's Authorities' Unit; and staff.

Mr. Scrivo 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 May 11, 2017 meeting minutes. A motion was made to approve the minutes by Mr. Downes, and seconded by Mr. Stoller and was approved by the 13 voting members present.

The next item of business was the approval of the May 11, 2017 executive session meeting minutes. A motion was made to approve the minutes by Mr. Alagia, and seconded by Mr. Stoller and was approved by the 13 voting members present.

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

FOR INFORMATION ONLY: Chairman Scrivo welcomed Mayor Dana Redd who thanked the board for its collaboration and significant efforts to improve the City of Camden over the years.

INCENTIVE PROGRAMS

ITEM: Incentives Delegation Changes: BEIP, GROW

REQUEST: To approve expanding the June 2013 BEIP and December 2015 GROW delegations as follows:

- 1) Expand the BEIP delegation for administrative changes and terminating agreements.
- 2) Expand the GROW delegation to allow staff to make administrative changes.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Simon **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

Economic Redevelopment and Growth (ERG) Program

ITEM: CHP Land, LLC

APPL.#44079

REQUEST: To approve the application of CHP Land, LLC for a Project located in Camden, Camden County for reimbursement of certain taxes. The recommendation is to award 40% of actual eligible costs, not to exceed \$18,352,709 based on the budget submitted.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Mr. Alagia recused himself because the applicant has a business relationship with the County of Essex.

ITEM: CHP Land, LLC (RIF Loan)

APPL.#44080

REQUEST: To approve application of CHP Land, Inc. for a Real Estate Impact Fund Loan in the amount of \$3,000,000. Concurrent with this request, CHP is seeking approval of an ERG in the amount of \$18.3 million (P44079).

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Mr. Alagia recused himself because the applicant has a business relationship with the County of Essex.

ITEM: Cultural Center Redevelopment Associates Urban Renewal, LLC APPL.#42918

REQUEST: To approve the application of Cultural Center Redevelopment Associates Urban Renewal, LLC for a Project located in New Brunswick, Middlesex County for the issuance of tax credits. The recommendation is to award 30% of actual eligible costs, not to exceed \$40,000,000 in tax credits based on the budget submitted.

MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Kennedy **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Mr. Stoller recused himself because you used to work with the applicant years ago.

Grow New Jersey Assistance Program

ITEM: Adoreme, Inc.

APPL.#44220

REQUEST: To approve the application of Adoreme, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Secaucus Town, NJ. Project location of Secaucus, 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 total award is \$3,320,000 for a 10-year term.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Stoller **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Damascus Bakery OPCO, LLC

APPL.#44069

REQUEST: To approve the finding of jobs at risk.

MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Downes **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Mr. Imperatore recused himself because family members are involved in the business.

ITEM: Damascus Bakery OPCO, LLC

APPL.#44069

REQUEST: To approve the application of Damascus Bakery OPCO, LLC for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Newark City, NJ and Clifton City, NJ. Project location of Newark, Essex County qualifies as a Mega Project 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, Large Number of New/Retained F/T Jobs, Targeted Industry (Manufacturing). Project location of Clifton, Passaic County qualifies as a Mega Project 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 Large Number of New/Retained F/T Jobs, Targeted Industry (Manufacturing), Mega Ind. Project w/ Cap. Ind. In Excess of Min. The estimated total award is \$18,648,000 for a 10-year term.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Mr. Imperatore recused himself because family members are involved in the business.

ITEM: LifeCell Corporation APPL.#44222
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Alagia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: LifeCell Corporation APPL.#44222
REQUEST: To approve the application of LifeCell Corporation for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Branchburg Twp., NJ. Project location of Branchburg Township, Somerset 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 Large Number of New/Retained F/T Jobs, Targeted Industry (Life Sciences). The estimated total award is \$14,872,500 for a 10-year term.
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: S&F Supplies Inc. APPL.#44130
REQUEST: To approve the application of S&F Supplies Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Bloomfield Township, NJ. Project location of Bloomfield Township, Essex 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 Transit Oriented Development, Capital Investment in Excess of Minimum (non-Mega), Targeted Industry (Manufacturing). The estimated total award is \$2,346,750 for a 10-year term.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Ferrara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

BOND PROJECTS

Amended Bond Resolutions

ITEM: The Kintock Group of New Jersey, Inc. and The Kintock Group APPL.#42759
LOCATION: Various
PROCEEDS FOR: Acquisition of existing building
FINANCING: \$16,755,000 Tax-Exempt Bond. Part of a \$20,205,000 Bond with P43349 and \$2,000,000 Taxable Bond. Part of a \$20,205,000 Bond with P43349.
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: Young Men's Christian Association of Hunterdon County APPL.#37558
REQUEST: Consent to (i) amend the Bond's interest rate from 1 month LIBOR plus 2.50% to 69.75% of (1 month LIBOR plus 2%). (ii) modify call date, (iii) amend and restate collateral documents to allow for a new hedge agreement, and (iv) modify various definitions in Bond Agreement.
MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

Combination Preliminary and Bond Resolutions

ITEM: Goose Pond Investors LLC APPL.#44234
LOCATION: Wayne Township, Passaic County
PROCEEDS FOR: Acquisition and Renovation of existing Building
FINANCING: \$8,000,000 Tax exempt bond
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Preliminary Bond Resolutions

ITEM: County Basie Theatre, Inc. APPL.#44209
LOCATION: Red Bank, Monmouth County
PROCEEDS FOR: Reimbursement of Renovation Costs
FINANCING: \$1,742,524 total costs
MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Stoller **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Public Hearing Only

ITEM: ACMY, LLC APPL.#43675
LOCATION: Piscataway, Middlesex County
PROCEEDS FOR: Acquisition and renovation of existing building, Working Capital
FINANCING: \$11,228,200 total costs
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

ITEM: County Basie Theatre, Inc.
LOCATION: Red Bank, Monmouth County
PROCEEDS FOR: Refunding
FINANCING: \$6,468,451 total costs
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

APPL.#44208

LOANS/GRANTS/GUARANTEES

ITEM: NJEDA Revolving Loan Fund Plan
REQUEST: To approve the EDA Revolving Loan Fund Plan as required by the U.S Economic Development Administration.
MOTION TO APPROVE: Mr. Stoller **SECOND:** Mr. Alagia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Petroleum Underground Storage Tank (PUST)

ITEM: Summary of NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program projects approved by the Department of Environmental Protection.
MOTION TO APPROVE: Mr. Downes **SECOND:** Ms. Ferrara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: James Thoma
LOCATION: East Rutherford Borough, Bergen County
PROCEEDS FOR: Remediation
FINANCING: \$116,002

APPL.#44183

PROJECT: Jim's Auto Service
LOCATION: Lower Township, Cape May County
PROCEEDS FOR: Remediation
FINANCING: \$24,966

APPL.#42399

PROJECT: St. Anthony's Church
LOCATION: Newark City, Essex County
PROCEEDS FOR: Remediation
FINANCING: \$127,454

APPL.#44127

PROJECT: Patricia Cooper APPL.#43357
LOCATION: Atlantic City, Atlantic County
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: \$177,502

PROJECT: Nancy Fittin APPL.#42763
LOCATION: Wall Township, Monmouth County
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: \$192,225

Hazardous Discharge Site Remediation Fund Program

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

MOTION TO APPROVE: Mr. Kennedy **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Camden Redevelopment Agency (Camden Laboratories) APPL.#44158
LOCATION: Camden City, Camden County
PROCEEDS FOR: Remedial Investigation
FINANCING: \$1,358,600

PROJECT: Township of Aberdeen (former South River Metals prod) APPL.#44185
LOCATION: Aberdeen Township, Monmouth County
PROCEEDS FOR: Remedial Investigation
FINANCING: \$193,611

PROJECT: Sebring Company (Greentree Shopping Center) APPL.#44159
LOCATION: Washington Township, Gloucester County
PROCEEDS FOR: Remedial Action
FINANCING: \$14,296

PROJECT: Sebring Company (Greentree Shopping Center) APPL.#44160
LOCATION: Washington Township, Gloucester County
PROCEEDS FOR: Remedial Action
FINANCING: \$14,296

OFFICE OF RECOVERY

Energy Resilience Bank

ITEM: RWJ Barnabas - Jersey City Medical Center CHP Project Funding
Recommendation

REQUEST: To (1) deem the project eligible for ERB Funding, (2) approve moving the project to the ERB program review and approval process, (3) reserve \$8,526,758 of ERB Funds, (4) authorize the execution of ERB funding

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Stoller **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

Stronger NJ Loan Program

ITEM: Extension of Project Completion Deadline for the Stronger NJ Business Loan Program

REQUEST: To approve an extension of the completion deadline for eligible applicants under the SBL to September 2018, with a staff delegation for an additional six-month extension if necessary.

MOTION TO APPROVE: Mr. Simon **SECOND:** Ms. Ferrara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

Strong NJ Business Loan Modification

ITEM: The Dutchman's Brau Haus APPL.#40729

REQUEST: To approve the request to increase the \$2,046,402 construction loan under the Stronger NJ Business Loan program approved on February 9, 2016 to \$3,592,578.

MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Alagia **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

REAL ESTATE

ITEM: FMERA Purchase and Sale & Redevelopment Agreement with American Properties at Monmouth, LLC for Howard Commons in Eatontown

REQUEST: To consent to FMERA entering into the redevelopment agreement contained within the Purchase and Sale & Redevelopment Agreement with American Properties at Monmouth, LLC for the redevelopment of Howard Commons in Eatontown section of the former Fort.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Stoller **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

ITEM: FMERA Purchase and Sale & Redevelopment Agreement with Kenneth Schwartz for Barracks Parcel in Eatontown

REQUEST: To consent to FMERA entering into the redevelopment agreement contained within the Purchase and Sale & Redevelopment Agreement with Kenneth Schwartz for the sale and redevelopment of the Barracks parcel, including approx.. 4.4. acres and Buildings 1102 through 1107 in the Eatontown section of the former Fort.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Dumont **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

ITEM: Real Estate Impact Fund (Private Component) – Repayment Policy Clarification

REQUEST: To approve a repayment policy clarification to the private component of the RIF detailing the process by which staff calculates the percentage of the project's net cash flow used to repay the Fund loan.

MOTION TO APPROVE: Mr. Stoller **SECOND:** Ms. Ferrara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

ITEM: New Health and Agriculture Building in Trenton

REQUEST: To approve: Additional Funding, Amending the Predevelopment Services Budget, Amend the HDR A/E Contract, and enter into the First Amendment to the MOU with the NJ Department of Treasury, Division of Property Management and Construction.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Simon **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

ITEM: New Taxation Building in Trenton

REQUEST: To approve: Additional Funding, Amending the Predevelopment Services Budget, Amend the Ballinger A/E Contract, and enter into the First Amendment to the MOU with the NJ Department of Treasury, Division of Property Management and Construction.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Ferrara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 25

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Projects approved under Delegated Authority

Premier Lender Program: 960 Holdings LLC (P44085), Power Photo Corp. and 40 Montgomery St. Hillside, LLC (44133)

Stronger NJ Business Loan Program: Reina Tire Services Inc. (43346)

PUBLIC COMMENT

Ms. Iana Dikidjieva, Member, Stakeholders Allied for the Core of Trenton reiterated the groups opposition to the State Office Building projects, specifically, that privately owned alternate locations were not considered and that the public was not able to comment on that process in advance.

Mr. Dumont stated that he was very much in support of the State Office Buildings project and looked forward to it's completion.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss matters which involve anticipated litigation that would affect EDA's debt collection and the purchase of real property where disclosure could adversely affect EDA. The minutes will be made public when the need for confidentiality no longer exists.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Stoller **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 26

The Board returned to Public Session.

The next item was to approve a confidential matter pertaining to anticipated litigation that would affect EDA's debt collection.

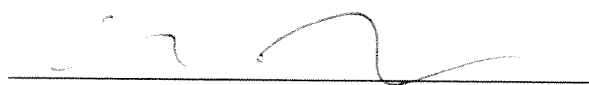
MOTION TO APPROVE: Mr. Simon **SECOND:** Mr. Alagia **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 27

The next item was to approve a confidential matter pertaining to the purchase of real property where disclosure could adversely affect EDA.

MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Stoller **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 28

There being no further business, on a motion by Mr. Simon, and seconded by Ms. Ferrara, the meeting was adjourned at 11:13am.

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.


Erin Gold, Director, Marketing & Public Affairs
Assistant Secretary