

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

April 14, 2015

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca representing the State Treasurer; Jeffrey Stoller representing the Department of Labor and Workforce Development; Patrick Mullen representing the Department of Banking and Insurance; Colleen Kokas representing the Commissioner of the Department of Environmental Protection Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Fred B. Dumont, Philip B. Alagia, Patrick Delle Cava, William J. Albanese, Sr., Second Alternate Public Member; Harold Imperatore, Third Alternate Public Member.

Present via conference call: Massiel Medina Ferrara, and Rodney Sadler, Non-Voting Member.

Absent: Public Member Charles Sarlo.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Bette Renaud; Michael Collins, Governor's Authorities' Unit; and staff.

Chairman Koepp called the meeting to order at 10 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 March 12, 2015 meeting minutes. A motion was made to approve the minutes by Mr. Stoller, seconded by Mr. Mullen, 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: 2014 Comprehensive Annual Report

REQUEST: To approve the Authority's comprehensive annual report for 2014, as required under Executive Order No. 37 (2006).

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

President and CEO Lizura recognized former EDA CEO Michele Brown in the audience.

Mr. Albanese entered the meeting at this time.

INCENTIVE PROGRAMS

Economic Redevelopment and Growth Grant Program

ITEM: Carrino Plaza Apartments, LLC

APPL.#39030

REQUEST: To approve the application of Carrino Plaza Apartments, LLC for a project located in Newark, Essex County for the issuance of tax credits. The recommendation is to award 30% of the eligible costs, not to exceed \$5,253,522, in tax credits based on the budget submitted.

MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Stoller **AYES:** 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

Mr. Alagia recused himself because Essex County was involved in the project.

Mr. Delle Cava entered the meeting at this time.

ITEM: Lincoln Towers Urban Renewal, LP

APPL.#40548

REQUEST: To approve the application of Lincoln Towers Urban Renewal, LP for a project located in Newark, Essex County for the issuance of tax credits. The recommendation is to award 20.80% of the eligible costs, not to exceed \$11,500,000, in tax credits based on the budget submitted.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Grow New Jersey Assistance Program

ITEM: Gemesis, Inc.

APPL.#40680

REQUEST: To approve the application of Gemesis, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Woodbridge Township, NJ. Project location of Woodbridge Township in Middlesex 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. The estimated annual award is \$420,000 for a 10-year term.

MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. McNamara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

ITEM: LMT Mercer Group, Inc.

APPL.#40673

REQUEST: To approve the finding of jobs at risk.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Alagia

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: LMT Mercer Group, Inc.

APPL.#40673

REQUEST: To approve the application of LMT Mercer Group, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Trenton, NJ. Project location of Trenton, Mercer 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 Targeted Industry (Manufacturing) and GSGZ Ind. Project with Capital Investment In Excess of Minimum. The estimated annual award is \$1,554,000 for a 10-year term.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Mullen

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

ITEM: New York Life Insurance Company

APPL.#40595

REQUEST: To approve the finding of jobs at risk.

MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. McNamara

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

Mr. Mullen recused himself because the Department of Banking & Insurance regulates the entity.

ITEM: New York Life Insurance Company APPL.#40595
REQUEST: To approve the application of New York Life Insurance Company 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, Large Number of New/Retained Full-Time Jobs, and Targeted Industry (Finance). The estimated annual award is \$3,389,575 for a 10-year term.
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Stoller **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

Mr. Mullen recused himself because the Department of Banking & Insurance regulates the entity.

ITEM: Seldat, Inc. APPL.#40628
REQUEST: To approve the application of Seldat, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Piscataway, NJ. Project location of Piscataway Township, Middlesex 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 Full-Time Jobs and On Site Solar Generation of ½ of Project's Electrical Needs. The estimated annual award is \$5,153,600 for a 10-year term.
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Volunteers of America Delaware Valley, Inc. APPL.#40682
REQUEST: To approve the finding of material factor in the decision to make capital investment and locate in Camden.
MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:10

ITEM: Volunteers of America Delaware Valley, Inc. APPL.#40682
REQUEST: To approve the application of Volunteers of America Delaware Valley, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Camden, NJ. Project location of Camden, Camden 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, and location in a municipality in Camden County with 2007 Revitalization Index greater than 465. The estimated annual award is \$633,750 for a 10-year term.
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:11

ITEM: Brown Brothers Harriman & Co. APPL.#40713
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Downes **SECOND:** Ms. Kokas **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:12

ITEM: Brown Brothers Harriman & Co. APPL.#40713
REQUEST: To approve the application of Brown Brothers Harriman & Co. 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, Large Number of New/Retained Full-Time Jobs, and Targeted Industry (Finance). The estimated annual award is \$2,773,160 for a 7-year term.
MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:13

BOND PROJECTS

Preliminary Resolutions

ITEM: MSC State & River LLC APPL.#40717

This Item Was Withheld From Consideration.

ITEM: Uncommon Properties, LLC APPL.#40716

This Item Was Withheld From Consideration.

Public Hearing Only

ITEM: BUF Health and Human Services Corporation, Inc. APPL.#40357
LOCATION: Plainfield/Union
PROCEEDS FOR: Refinancing
FINANCING: \$3,700,000 Tax-exempt Bond
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

LOANS/GRANTS/GUARANTEES

Direct Loan Program

PROJECT: Cooperative Business Assistance Corporation APPL.#40434
LOCATION: Camden/Camden
PROCEEDS FOR: Loan Funding
FINANCING: \$250,000 Loan
MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

Premier Lender Program

PROJECT: Bayshore Holdings LLC & Tre Belle Figlie, LLC APPL.#40669
LOCATION: Union Beach/Monmouth
PROCEEDS FOR: Acquisition of existing building
FINANCING: \$1,305,000 bank loan with a 50% (\$652,500) EDA participation
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Petroleum Underground Storage Tank Program

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

PROJECT: Croitor Feed APPL.#40397
LOCATION: Middle Township/Cape May
PROCEEDS FOR: Remediation
FINANCING: \$41,231 Petroleum UST Remediation, Upgrade and Closure Fund Grant

PROJECT: Mullica Hill Shell and Garage APPL.#39871
LOCATION: Harrison Township/Gloucester
PROCEEDS FOR: Remediation
FINANCING: \$48,571 Petroleum UST Remediation, Upgrade and Closure Fund Grant

PROJECT: Robert So APPL.#40399
LOCATION: Edison Township/Middlesex
PROCEEDS FOR: Remediation
FINANCING: \$42,446 Petroleum UST Remediation, Upgrade and Closure Fund Grant

PROJECT: Wilson's Service Station APPL.#39794
LOCATION: East Orange/Essex
PROCEEDS FOR: Upgrade, Closure, & Remediation
FINANCING: \$143,622 Petroleum UST Remediation, Upgrade and Closure Fund Grant

PROJECT: Josefa Ramaroson APPL.#40558
LOCATION: Freehold Township/Monmouth
PROCEEDS FOR: Remediation
FINANCING: \$38,534 Petroleum UST Remediation, Upgrade and Closure Fund Grant

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: Ms. Kokas **SECOND:** Mr. McNamara **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: Borough of Fanwood (Fmr Livingston-Wilbur Corp.) APPL.#40450
LOCATION: Fanwood/Union
PROCEEDS FOR: Remedial Investigation
FINANCING: \$295,707

PROJECT: Borough of Fanwood (Fmr Livingston-Wilbur Corp.) APPL.#40451
LOCATION: Fanwood/Union
PROCEEDS FOR: Remedial Action
FINANCING: \$53,540

PROJECT: Borough of Franklin Lakes (Haledon DPW) APPL.#40433
LOCATION: Haledon/Passaic
PROCEEDS FOR: Remedial Action/Remedial Investigation
FINANCING: \$104,860

PROJECT: Jersey City redevelopment Agency (Grant Cleaners & DB) APPL.#40589
LOCATION: Jersey City/Hudson
PROCEEDS FOR: Remedial Action/Remedial Investigation
FINANCING: \$374,499

OFFICE OF RECOVERY

Stronger New Jersey Business Program Appeals

ITEM: Stronger NJ Business Grant Program Appeal – Dorset Convenience and E.T.C. Plumbing, LLC

REQUEST: To approve the Hearing Officer’s recommendation to uphold the declination of the Stronger NJ Business Grant for Dorset Convenience and E.T.C. Plumbing, LLC.

MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Mullen **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

Stronger New Jersey Business Loan Program

ITEM: Extension of project completion deadline for the Stronger NJ Business Loan Program
REQUEST: To approve the completion deadline for eligible applicants under the Stronger NJ Business Loan Program from May 13, 2015 to July 1, 2016.
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Mullen **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Summary of projects approved under Delegated Authority in first Quarter 2015

FOR INFORMATION ONLY: Incentives Modifications

FOR INFORMATION ONLY: Summary of projects approved under Delegated Authority in first Quarter 2015 for the Hazardous Discharge Site Remediation Fund.

FOR INFORMATION ONLY: Projects approved under Delegated Authority

Small Business Fund Program: BUF Health and Human Services, Inc. (P40410); Community Asset Preservation Corporation (P39984); Power Precision Realty, LLC (P40395)

Premier Lender Program: Scott Real Estate LLC (40538)

Camden ERB: Camden Coalition of Healthcare Providers (P40671)

Community Economic Development Program - Modification: Greater Wildwoods Tourism Improvement and Development Authority (P39676)

ITEM: Camden Baseball, LLC
\$1,999,943 Local Development Financing Fund Loan
REQUEST: Accept a \$.25 surcharge per ticket over the next 15 years as full settlement of the approximate \$2 million previously written off LDF Direct Loan to support the transfer of the Campbell's Field stadium from Rutgers University to the Camden County Improvement Authority.
MOTION TO APPROVE: Mr. McNamra **SECOND:** Mr. Petrecca **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

REAL ESTATE

ITEM: Amending the February 11, 2014 Action
Aviation Research & Technology Park
Stockton Aviation Research and Technology Park of New Jersey, Inc. as Co-
Grantee to the \$2.5 Million USEDPA Public Works Grant

REQUEST: To approve removing condition three (3) from the February 11, 2014 board action,
which required that South Jersey Development District transfer the lease with the
Federal Aviation Administration to Stockton Aviation Research and Technology
Park of New Jersey, Inc.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

ITEM: Lockheed Martin Corporation
Waterfront Technology Center at Camden

REQUEST: Approval to enter into a ten year, six month lease between Lockheed Martin
Corporation and the NJ Economic Development Authority for 5,285 rentable
square feet on the first floor of the Waterfront Technology Center at Camden, as
well as approximately 25% of the existing rooftop space for additional equipment.

MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Imperatore **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

ITEM: Rutgers, The State University
The Technology Centre of New Jersey

REQUEST: Approval to enter into a lease amendment between Rutgers, The State University
and the NJ Economic Development Authority to extend the term of its lease for a
re-measured 26,975 square feet in the building at the Technology Centre of New
Jersey known as "Tech III" for an additional 5 years.

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Imperatore **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

FOR INFORMATION ONLY: Real Estate Division Delegated Authority for Leases, CCIT
Grants, and Right of Entry/Licenses for First Quarter 2015.

FOR INFORMATION ONLY: Real Estate Division Delegated Authority approval of projects
under the Streetscape Revitalization Program.

PUBLIC COMMENT

There was no public comment.

EXECUTIVE SESSION

The next item was to adjourn the public session of the meeting and enter into Executive Session to discuss a contract matter. The minutes will be made public when the need for confidentiality no longer exists.

MOTION TO APPROVE: Mr. Downs **SECOND:** Ms. Kokas **AYES:** 13

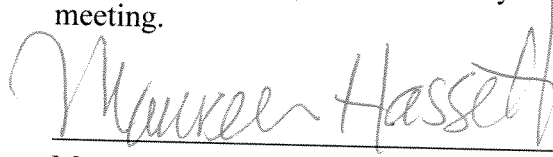
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

The Board returned to Public Session.

There being no further business, on a motion by Mr. Alagia, 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.



Maureen Hassett, SVP, Finance & Development
Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

April 14, 2015

EXECUTIVE SESSION MINUTES

Members of the Authority present: Al Koepp, Chairman; Steve Petrecca representing the State Treasurer; Jeffrey Stoller representing the Department of Labor and Workforce Development; Patrick Mullen representing the Department of Banking and Insurance; Colleen Kokas representing the Commissioner of the Department of Environmental Protection; Public Members: Joseph McNamara, Vice Chairman; Larry Downes, Fred B. Dumont, Philip B. Alagia, William J. Albanese, Sr., Second Alternate Public Member; and Harold Imperatore, Third Alternate Public Member.

Present via conference call: Massiel Medina Ferrara, and Rodney Sadler, Non-Voting Member.

Absent: Public Member Charles Sarlo, and Patrick Delle Cava.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney Generals Bette Renaud and Fred Cohen; Michael Collins, Governor's Authorities' Unit; and staff.

LITIGATION SETTLEMENT AUTHORIZATION GREYSTONE PARK PSYCHIATRIC HOSPITAL PROJECT

Chairman Koepp asked DAG Cohen to summarize the item before the Board. DAG Cohen stated that the Authority has been in litigation related to the Greystone Park Psychiatric Hospital project since 2010. He stated that the EDA was named as a third-party defendant in a lawsuit filed by S.M. Electric Company, Inc. v. Torcon et al. S.M. Electric filed a Complaint, in NJ Superior Court, against Torcon in January 2010. S.M. Electric amended its complaint to sue the EDA to impose a constructive trust on the retainage it was holding on behalf of Torcon.

In September of 2010, Torcon filed a Third-Party Amended Complaint including EDA as a third-party defendant. The Amended Complaint seeks the EDA's indemnification for damages asserted by S.M. Electric against Torcon, and contribution from the EDA in the event Torcon is held liable to S.M. Electric.

In March of 2013, Vitetta filed a separate Complaint against EDA for payment of a belated invoice in the amount of \$792,084.19 for additional/extended services. The causes of action are breach of contract and violation of the Prompt Payment Act.

EDA in turn has asserted counterclaims against Torcon and crossclaims against Vitetta and its electrical subconsultant, Cosentini, for additional costs sustained on the project.

DAG Cohen stated that it was a difficult case to mediate, but during the March 26th mediation session a settlement was reached by all parties, subject to the approval of the EDA Board and the Attorney General's Office.

He stated that payments to the plaintiff would total \$3,550,000.00, and that no money was coming from EDA funds, but from a retainage account that the Trustee was holding.

He noted that an additional amount to be paid to the plaintiff by their subconsultant was discussed but not resolved during mediation. The settlement is not contingent upon this additional payment which is estimated at approximately \$10,000.

He remarked that the interest payment is approximately three percent of the retainage held by the Trustee was not disputed but not paid due to the litigation.

Donna Sullivan, Director, Real Estate Development added that all remaining funds after the settlement payment and final close out of the litigation will be released from the Constructive trust and will be made available to the New Jersey Department of Human Services.

DAG Cohen added that if the settlement is accepted, all claims, crossclaims and counterclaims against the EDA related to the litigation are resolved and the project will proceed to final close-out. A Stipulation of Dismissal with prejudice and without costs or attorneys fees to any parties will be signed by all parties and filed with the Court with the exception of Torcon's claims against XL Insurance and Greenwich Insurance.

Chairman Koeppé asked for a completion timeline. DAG Cohen said he would try to get approval from the Attorney General's office and come before the May 15th EDA Board. Chairman Koeppé stated that the EDA would hold a special meeting/teleconference call if the matter is not resolved by May 15th.

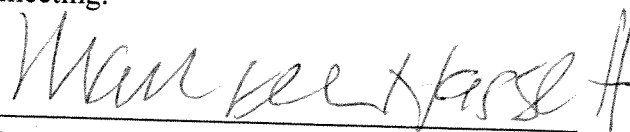
Mr. Albanese observed that it was a very good strategy for the Authority hold onto the retainage, without releasing it until settlement was reached.

Mr. Dumont stated that Michele Brown took a hard-line stance on this matter and should be commended upon this outcome.

In conclusion, there being no further business, Chairman Koeppé asked for a motion to close the Executive Session and return to Public Session.

On a motion by Mr. Dumont, by Mr. McNamara, the Board adjourned the Executive Session and opened the Public Meeting.

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, SVP, Finance & Development
Assistant Secretary