

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 11, 2018

MINUTES OF THE MEETING

Members of the Authority present: Charles Sarlo, Vice Chairman; Patrick Mullen representing Commissioner Marlene Caride of the Department of Banking and Insurance; Robert Soberanis representing Commissioner Robert Asaro - Angelo of Department of Labor and Workforce Development; Dan Ryan representing Commissioner Catherine McCabe of the Department of Environmental Protection; Public Members Philip Alagia, Fred Dumont, Louis Goetting, and Thomas Scrivo.

Present via conference call: Larry Downes, Chairman; Catherine Brennan representing State Treasurer Elizabeth Muoio; and Public Members William Layton, and Rodney Sadler, Non-Voting Member.

Absent: Public Members Massiel Medina Ferrara; William J. Albanese, Sr., Second Alternate Public Member; and John Lutz, Third Alternate Public Member.

Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Deputy Attorney General Gabriel Chacon; Adam Sternbach, Governor's Authorities' Unit; and staff.

Mr. Sarlo called the meeting to order at 10:00 am.

Pursuant to the Internal Revenue Code of 1986, Mr. Sullivan 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, Mr. Sullivan 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.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the September 13, 2018 meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Ms. Brennan, 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: 21st Century Redevelopment Program

REQUEST: Approval for the 21st Century Redevelopment Program with financing from the Economic Recovery Fund to fund grants to communities for economic development plans with solutions and strategies for commercial “ghosts” or “stranded assets”.

MOTION TO APPROVE: Ms. Brennan **SECOND:** Mr. Mullen **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: Innovation Challenge Program

REQUEST: Approval for the Innovation Challenge Program with financing from the Economic Recovery Fund to fund grants to communities for economic development plans to catalyze planning and key investments to position their city and region to augment their innovation ecosystem.

MOTION TO APPROVE: Mr. Ryan **SECOND:** Mr. Downes **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

ITEM: “Access” Pilot Lending Program

REQUEST: Launch a pilot lending program, “Access”, to provide support to small businesses in New Jersey and delegate authority to staff to approve applicants that meet all the program criteria.

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Ryan **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

ITEM: Offshore Wind Economic Development Tax Credit Program

REQUEST: Approve the regulations and procedures associated with administering the program.

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Ryan **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Mr. Scrivo recused himself because he represents a client who is opposed to the industry.

INCENTIVE PROGRAMS

Grow New Jersey Assistance Program

ITEM: Keyme, Inc.

APPL.#45185

REQUEST: To approve the application of Keyme, Inc. 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, Targeted Industry of Manufacturing. The estimated annual award is \$546,720 for a 10-year term.

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Ryan **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Neumann Gruppe USA, Inc.

APPL.#45190

REQUEST: To approve the application of Neumann Gruppe USA, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Hoboken City, NJ. Project location of Hoboken 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. The estimated annual award is \$315,000 for a 10-year term.

MOTION TO APPROVE: Ms. Brennan **SECOND:** Mr. Downes **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Mr. Ryan left the meeting at this time.

Grow New Jersey Assistance Program- Modification

ITEM: Audible, Inc.

APPL.#40678

REQUEST: Consent to a second six-month extension

MOTION TO APPROVE: Mr. Scrivo **SECOND:** Mr. Alagia **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

ITEM: Jackson Hewitt Inc. & Subsidiaries

APPL.#40714

REQUEST: Consent to a second six-month extension

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Alagia **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: Resintech, Inc

APPL.#42319

REQUEST: Consent to a second six-month extension

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Alagia **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

Ms. Brennan entered the meeting at this time.

EDISON INNOVATION FUND

ITEM: Authorized Luxury Group Appeal

REQUEST: Consent to the recommendation to uphold the declination of the NOL application for Authorized Luxury Group.

MOTION TO APPROVE: Mr. Scrivo **SECOND:** Ms. Brennan **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

BOND PROJECTS

ITEM: School Facilities Construction Bonds

REQUEST: Approve the issuance of one or more series of 2018 School Facilities Construction Refunding Bonds and one or more series of the 2018 School Facilities Construction Bonds.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Soberanis **AYES: 10**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Mr. Scrivo left the meeting at this time.

Combination Preliminary and Bond Resolutions

PROJECT: LEAP STEM, LLC

APPL.#45195

LOCATION: Camden City, Camden County

PROCEEDS FOR: Refinancing

FINANCING: \$7,500,000 tax exempt bond

MOTION TO APPROVE: Mr. Mullen **SECOND:** Mr. Downes **AYES: 9**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

Public Hearing Only

PROJECT: The Friends of TEAM Charter Schools, Inc.

APPL.#45075

LOCATION: Newark City, Essex County

PROCEEDS FOR: Acquisition and Renovation of existing building

FINANCING: \$13,500,000 total costs

PUBLIC HEARING: Yes

PUBLIC COMMENT: Mr. Colandus "Kelly" Francis, Member, Camden City Taxpayers Association, and Camden resident asked if the residents would be liable for the bond debt if the Friends of TEAM Charter Schools, Inc. defaulted on the bond obligations. Mr. Bern Davis, Chiesa, Shahinian & Giantomasi, responded that the Camden residents would not be liable for any bond debt, should there be a default.

LOANS/GRANTS/GUARANTEES

Hazardous Discharge Site Remediation Fund

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

MOTION TO APPROVE: Mr. Goetting **SECOND:** Mr. Mullen **AYES: 9**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: Pennington Borough Sanitary

APPL.#45165

LOCATION: Pennington Borough, Mercer County

PROCEEDS FOR: Remedial Investigation

FINANCING: \$301,604

PROJECT: Sprague's Oil Service, Inc.

APPL.#44999

LOCATION: Matawan Borough, Monmouth County

PROCEEDS FOR: Remedial Investigation

FINANCING: \$61,400

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. Goetting **SECOND:** Ms. Brennan **AYES: 9**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: Angelina Ciallella APPL.#44974
LOCATION: Freehold Township, Monmouth County
PROCEEDS FOR: Remediation
FINANCING: \$659,024

PROJECT: Clara Engine APPL.#44965
LOCATION: Collingswood Borough, Camden County
PROCEEDS FOR: Remediation
FINANCING: \$640,485

PROJECT: American Vegan Society APPL.#44975
LOCATION: Franklin Township, Gloucester County
PROCEEDS FOR: Remediation
FINANCING: \$157,338

PROJECT: David Leininger APPL.#44605
LOCATION: Lower Township, Cape May County
PROCEEDS FOR: Remediation
FINANCING: \$124,257

REAL ESTATE

ITEM: Parcel F-1, Tinton Falls
REQUEST: Approve the execution of an Assignment and Assumption Agreement between the NJEDA and RWJ Barnabas Health, Inc.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Goetting **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Camden Waterfront Project
REQUEST: Consent to execute a Parking Management Agreement with New Jersey Aquarium, LLC.
MOTION TO APPROVE: Mr. Goetting **SECOND:** Mr. Soberanis **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

ITEM: FMERA Purchase and Sale & Redevelopment Agreement

REQUEST: Consent to FMERA entering into the purchase and sale & development agreement with KKF University Enterprises, LLC.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Brennan **AYES: 8**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

Mr. Goetting recused himself because he represents New Jersey City University.

BOARD MEMORANDUMS

FOR INFORMATION ONLY: Projects approved under Delegated Authority

Premier Lender Program:

PROJECT: 145 Cedar Limited Liability Company APPL.#45194

LOCATION: Englewood City, Bergen County

PROCEEDS FOR: Purchase of Property

FINANCING: \$1,845,000 ConnectOne Bank loan with \$307,500 EDA participation

PROJECT: Jaan Holdings LLC APPL.#45217

LOCATION: Rahway City, Union County

PROCEEDS FOR: Purchase of Property

FINANCING: \$2,340,000 Provident Bank loan with \$1,170,000 EDA participation

Small Business Fund:

PROJECT: All That Dance Studio APPL.#45191

LOCATION: Hopewell Township, Cumberland County

PROCEEDS FOR: Purchase of Property

FINANCING: \$132,750 direct loan

FOR INFORMATION ONLY: Incentive Modifications- 3rd Quarter 2018 approvals-
Delegated Authority

FOR INFORMATION ONLY: Hazardous Discharge Site- 3rd Quarter 2018 approvals-
Delegated Authority

FOR INFORMATION ONLY: Petroleum Underground Storage Tank Program- 3rd Quarter 2018 approvals- Delegated Authority

FOR INFORMATION ONLY: Real Estate Delegated Authority- 3rd Quarter 2018 approvals- Delegated Authority

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 matter under negotiation, where disclosure could adversely affect the public interest. The minutes will be made public when the need for confidentiality no longer exists.

MOTION TO APPROVE: Mr. Dumont SECOND: Mr. Alagia AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

The Board returned to Public Session.

AUTHORITY MATTERS

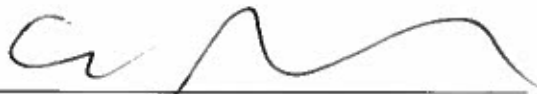
The next item was to approve the items discussed in Executive Session.

MOTION TO APPROVE: Mr. Dumont SECOND: Mr. Downes AYES: 9

RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

There being no further business, on a motion by Mr. Dumont, and seconded by Mr. Downes, the meeting was adjourned at 11:45am.

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, Chief of Staff
Assistant Secretary

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 11, 2018

EXECUTIVE SESSION MINUTES

Members of the Authority present: Charles Sarlo, Vice Chairman; Catherine Brennan representing State Treasurer Elizabeth Muoio; Patrick Mullen representing Commissioner Marlene Caride of the Department of Banking and Insurance; Robert Soberanis representing Commissioner Robert Asaro - Angelo of Department of Labor and Workforce Development; and Public Members Philip Alagia, Fred Dumont, and Louis Goetting.

Present via conference call: Larry Downes, Chairman; and Public Members William Layton, and Rodney Sadler, Non-Voting Member.

Absent: Dan Ryan representing Commissioner Catherine McCabe of the Department of Environmental Protection, and Public Members Massiel Medina Ferrara; Thomas Scrivo, William J. Albanese, Sr., Second Alternate Public Member; and John Lutz, Third Alternate Public Member.

Also present: Timothy Sullivan, Chief Executive Officer of the Authority; Deputy Attorney General Gabriel Chacon; Adam Sternbach, Governor's Authorities' Unit; and staff.

MEMORANDUM OF UNDERSTANDING BETWEEN THE AUTHORITY AND THE ISRAEL INNOVATION AUTHORITY

Mr. Sullivan stated the Governor Murphy was leaving for a Trade Mission to Israel and Germany on Monday. He stated the he and others will travel with him and they hoped to have a finalized and signed MOU with the Israel Innovation Authority (IIA) as a result of the trade mission.

Vice Chairman Sarlo asked Brian Sabina to summarize the matter before the board.

Mr. Sabina stated that the Members were requested to approve a Memorandum of Understanding between the Authority and the Israel Innovation Authority to develop and strengthen economic, technological and commercial cooperation between the State of Israel and the State of New Jersey.

Mr. Sabina stated that the IIA is a public entity that collaborates with international partner agencies, including several U.S. states, to promote technological innovation. When Governor Murphy announced his trade mission to Germany and Israel, the IIA approached the Authority with a proposal to enter into an MOU to establish a formal relationship on innovation and to finalize and sign the MOU while the Authority's CEO is traveling with the Governor.

The MOU broadly outlines the intent of the EDA and the IIA to collaborate on several key objectives including identifying projects or partnerships between Israeli and New Jersey entities that could lead to cooperation in innovation, to coordinate resources and programs to support cooperation in innovation according to each side's mandate and availability of funds, and working towards establishing a framework for financial support under which both sides will

support jointly-approved projects leading to commercialization in the global market. The MOU itself does not establish any programs or set aside any funding.

Mr. Sabina added that the Authority intends to present to the Board for approval at a later date an international innovation program as a follow-up to the trade mission; this program will accomplish the objectives in the MOU and will contain the requisite eligibility criteria for applicants and amount of funding for each aspect of the program.

He further noted that the proposed program will be designed as a collaboration between EDA and any other international governmental partners with which EDA enters into similar MOUs. At this point, the program's first international partner will be the IIA.

Finally, he stated that the EDA has been negotiating the terms of the attached MOU with the IIA. While the MOU is in substantially final form, final decision regarding the execution of this MOU may be made during the Governor's October trade mission to Israel.

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

On a motion by Mr. Dumont, seconded by Mr. Downes, 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.



Erin Gold, Chief of Staff
Assistant Secretary