

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

August 11, 2015

Commercialization Center for Innovative Technologies, North Brunswick, NJ

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Commissioner Richard J. Badolato of the Department of Banking and Insurance; Jennifer Duffy representing the State Treasurer; Jeffrey Stoller representing the Department of Labor and Workforce Development; Colleen Kokas representing the Commissioner of the Department of Environmental Protection Public Members: Larry Downes, Charles Sarlo, Fred B. Dumont, Philip B. Alagia, Massiel Medina Ferrara, David Huber, William J. Albanese, Sr., Second Alternate Public Member; and Harold Imperatore, Third Alternate Public Member.

Absent: Public Members Joseph McNamara, Vice Chairman; Patrick Delle Cava, First Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Also present: Melissa Orsen, Chief Executive Officer of the Authority; Timothy Lizura, President and Chief Operating Officer; Deputy Attorney General Gabriel Chacon; 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 July 9, 2015 meeting minutes. A motion was made to approve the minutes by Ms. Kokas, seconded by Mr. Downes, and was approved by the 12 voting members present.

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

CHIEF EXECUTIVE OFFICER'S MONTHLY REPORT TO THE BOARD

INCENTIVE PROGRAMS

ITEM: Proposed Rule Amendments

REQUEST: To approve the proposed amendments to the rules implementing the Economic Redevelopment and Growth (ERG) Program based on statutory provisions pertaining to mixed use parking projects; and amendments to the rules implementing the Grow New Jersey Assistance (Grow NJ) Program to administer applications and awards for qualified incubator facilities in the Grow New Jersey Assistance Act.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 1

ITEM: Grow New Jersey Program

Revision to Methodology for Due Diligence on Incubator Projects in Excess of \$4,000,000/year

REQUEST: To approve a revision to existing policy to determine the amount necessary to complete a qualified incubator facility that applies for tax credits in excess of \$4,000,000/year.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 2

UEZ Energy Sales Tax Exemption

ITEM: DPT Lakewood, LLC

\$123,000 UEZ Energy Sales Tax Exemption

REQUEST: Consent the approval of DPT's application to participate in the U-STX program.

MOTION TO APPROVE: Mr. Downes **SECOND:** Ms. Duffy **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 3

Residential Economic Redevelopment and Growth Grant Program

ITEM: Ameream LLC, Meadow Amusement LLC and Affiliates APPL.#37976

REQUEST: To re-approve the revised application of Ameream LLC, Meadow Amusement, LLC and Affiliates for reimbursement of certain taxes for an East Rutherford Borough, Bergen County project under a "state incentive grant" by the EDA pursuant to the Economic Redevelopment and Growth Grant program set forth in N.J.S.A. 52:27D-489c.

MOTION TO APPROVE: Mr. Downes **SECOND:** Ms. Duffy **AYES:** 10

RESOLUTION ATTACHED AND MARKED EXHIBIT: 4

Mr. Imperatore recused himself because family members are involved with the project.

Mr. Sarlo recused himself because his firm is working on the project.

ITEM: Riverside Arms Urban Renewal, LLP and Building Believers Trust Corporation
APPL.#39074

REQUEST: To approve the application of Riverside Arms Urban Renewal, LLP and Building Believers Trust Corporation for a project located in Newark, Essex County for the issuance of tax credits. The recommendation is to award 30% of total eligible costs, not to exceed \$8,604,169, in tax credits based on the budget submitted.

MOTION TO APPROVE: Ms. Kokas **SECOND:** Ms. Ferrara **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 5

ITEM: Roseville Avenue Redevelopment Urban Renewal LLC & Greater Bergen Community Action Agency
APPL.#41116

REQUEST: To approve the application of Roseville Avenue Redevelopment Urban Renewal LLC & Greater Bergen Community Action Agency for a project located in Jersey City, Hudson County for the issuance of tax credits. The recommendation is to award 30% of total eligible costs, not to exceed \$10,065,184, in tax credits based on the budget submitted.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 6

Mr. Sarlo recused himself because the Greater Bergen Community Action Agency is a client.

Grow New Jersey Assistance Program

ITEM: Capintec, Inc. APPL.#41249

REQUEST: To approve the application of Capintec, Inc. for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in South Plainfield, NJ. Project location of South Plainfield Borough, in 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 (non-Mega) and Targeted Industry (Manufacturing). The estimated annual award is \$243,000 for a 10-year term.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 7

ITEM: Chef'd, LLC APPL.#41126

REQUEST: To approve the finding of material factor in the decision to make capital investment and locate in Camden.

MOTION TO APPROVE: Mr. Albanese **SECOND:** Ms. Duffy **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

ITEM: Chef'd, LLC

APPL.#41126

REQUEST: To approve the application of Chef'd, LLC for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Camden City, NJ. Project location of Camden City, 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 and location in a municipality in Camden County with 2007 Revitalization Index greater than 465. The estimated annual award is \$1,900,000 for a 10-year term.

MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Downes **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

ITEM: Great Socks, LLC

APPL.#41133

REQUEST: To approve the finding of material factor in the decision to make capital investment and locate in Camden.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

ITEM: Great Socks, LLC

APPL.#41133

REQUEST: To approve the application of Great Socks, LLC for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Camden City, NJ. Project location of Camden City, 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, Targeted Industry (Manufacturing), GSGZ Project with Capital Investment in Excess of Minimum, and location in a municipality in Camden County with 2007 Revitalization Index greater than 465. The estimated annual award is \$1,500,000 for a 10-year term.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Mr. Alagia entered the meeting at this time.

ITEM: Macrocare, Inc.

APPL.#41283

REQUEST: To approve the application of Macrocare, Inc. for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in North Brunswick Township, NJ. Project location of North Brunswick Township, 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 (non-Mega), Jobs with Salary in Excess of County Average and Targeted Industry (Life Sciences). The estimated annual award is \$ 324,000 for a 10-year term.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

ITEM: Natoli Management, LLC d/b/a Solid State Incorporated APPL.#41229
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

ITEM: Natoli Management, LLC d/b/a Solid State Incorporated APPL.#41229
REQUEST: To approve the application of Natoli Management, LLC for tax credits under the Grow New Jersey Assistance Program 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 a bonus increase to the tax credit award for Transit Oriented Development. The estimated annual award is \$411,735 for a 10-year term.
MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

ITEM: Polaris Solutions, LLC APPL.#41247
REQUEST: To approve the application of Polaris Solutions, LLC for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in New Brunswick City, NJ. Project location of New Brunswick City, Middlesex County qualifies as a 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 Deep Poverty Pocket, Transit Oriented Development, Jobs with Salary in Excess of County Average, and Targeted Industry (Technology). The estimated annual award is \$323,750 for a 6-year term.
MOTION TO APPROVE: Mr. Alagia **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

ITEM: Ready Pac Foods, Inc. APPL.#41045
REQUEST: To approve the finding of jobs at risk.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

ITEM: Ready Pac Foods, Inc. APPL.#41045
REQUEST: To approve the application of Ready Pac Foods, Inc. for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Florence Township, NJ. Project location of Florence Township, Burlington 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 Full-Time Jobs and Mega Industrial Project with Capital Investment in Excess of Minimum. The estimated annual award is \$2,740,703 for a 10-year term.
MOTION TO APPROVE: Mr. Downes **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

BOND PROJECTS

Preliminary Resolutions

ITEM: Uncommon Properties, LLC APPL.#40716
LOCATION: Camden City/Camden
PROCEEDS FOR: Purchase of new building or addition/purchase of equipment & machinery
FINANCING: \$50,776,000
MOTION TO APPROVE: Ms. Kokas **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

LOANS/GRANTS/GUARANTEES

FOR INFORMATION ONLY: PUST and HDSRF Program Funding Status

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:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: Jessica Diaz APPL.#41086
LOCATION: Hasbrouck Heights Borough/Bergen
PROCEEDS FOR: Remediation
FINANCING: \$24,000 Petroleum UST Remediation, Upgrade and Closure Fund Grant

PROJECT: Karen Schraeger APPL.#40557
LOCATION: Wall Township/Monmouth
PROCEEDS FOR: Remediation
FINANCING: \$250,680 Petroleum UST Remediation, Upgrade and Closure Fund Grant

PROJECT: Grant Telleri APPL.#39809
LOCATION: Readington Township/Hunterdon
PROCEEDS FOR: Upgrade, Closure, Remediation
FINANCING: \$257,891 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. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PROJECT: City of Atlantic City (James L. Usry Center) APPL.#40803
LOCATION: Atlantic City/Atlantic
PROCEEDS FOR: Remedial Action
FINANCING: \$118,290 (75% Matching Grant)

PROJECT: Borough of Somerville (BDA Somerville Landfill)
LOCATION: Somerville Borough/Somerset
PROCEEDS FOR: Remedial Action
FINANCING: \$2,793,984 (75% Matching Grant)

APPL.#40958

EDISON INNOVATION FUND

ITEM: Technology Business Tax Certificate Transfer Program
2015 Program Approvals & Disapprovals
REQUEST: To recommend approval for applicants which have been evaluated according to the criteria established by the Members of the Board and met the criteria for approval. Disapproval is recommended for the listed applicant that failed to meet all of the eligibility criteria for approval.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Imperatore **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

OFFICE OF RECOVERY

Stronger New Jersey Business Loan Program

ITEM: Key Harbor Marina LLC, et al APPL.#39636/APPL.#41246
LOCATION: Ocean Township/Ocean
PROCEEDS FOR: Working Capital
FINANCING: \$1,018,514 Stronger NJ Business Loan
\$50,000 (Forgivable) Stronger NJ Business Loan
MOTION TO APPROVE: Mr. Albanese **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 22

Stronger New Jersey Business Loan Program - Appeals

ITEM: Stronger NJ Business Loan Program Appeal – Barnacle Bill’s
REQUEST: To approve the Hearing Officer’s recommendation to uphold the declination of the Stronger NJ Business Loan for Barnacle Bill’s.
MOTION TO APPROVE: Mr. Huber **SECOND:** Mr. Downes **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 23

BOARD MEMORANDUMS

ITEM: Extension of Memorandum of Understanding
Capital City Redevelopment Corporation
REQUEST: To approve the extension of a Memorandum of Understanding between the New Jersey Economic Development Authority and Capital City Redevelopment Corporation as an inter-department governmental agreement confirming the mutual understanding and intention between the agencies with respect to the provision of the Authority’s support services to CCRC. The original MOU was approved at the July 9, 2014 EDA Board Meeting.
MOTION TO APPROVE: Mr. Dumont **SECOND:** Mr. Huber **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT: 24

FOR INFORMATION ONLY: Projects approved under Delegated Authority

Premier Lender Program: ALTYLA, LLC (P41089); Wiseway, LLC (P41102)

Stronger NJ Business Loan Program: Jamie Lee Hentschel DBA Nova Boutique (P40961)

REAL ESTATE

ITEM: Parking Management Agreement between New Jersey Aquarium, LLC and NJEDA
REQUEST: Approval to execute a new Parking Management Agreement between the New Jersey Aquarium, LLC and the New Jersey Economic Development Authority with regard to the Camden Waterfront Project for a one year term. Approval is also requested to delegate to the President/COO of the authority to enter into similar Parking Management Agreements for 2016, 2017, and 2018, at the Authority's discretion.

MOTION TO APPROVE: Ms. Kokas **SECOND:** Ms Duffy **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT: 25

ITEM: FMERA Purchase and Sale & Redevelopment Agreement with FM Partner, LLC for the Fitness Center Parcel

REQUEST: To consent to the Fort Monmouth Economic Revitalization Authority entering into the redevelopment agreement that is contained within FMERA's Purchase and Sale & Redevelopment Agreement with FM Partner's LLC for the Fitness Center Parcel in the Oceanport section of the former Fort Monmouth.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 26

ITEM: FMERA Purchase and Sale & Redevelopment Agreement with Pinebrook Commerce Center, LLC for the Pinebrook Road Commerce Center (former Fabrication Shops)

REQUEST: To consent to the Fort Monmouth Economic Revitalization Authority entering into the redevelopment agreement that is contained within FMERA's Purchase and Sale & Redevelopment Agreement with Pinebrook Commerce Center, LLC for the Pinebrook Road Commerce Center in the Tinton Falls section of the former Fort Monmouth.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 27

ITEM: FMERA Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Officer Housing Parcel

REQUEST: To consent to the Fort Monmouth Economic Revitalization Authority entering into the redevelopment agreement that is contained within FMERA's Purchase and Sale & Redevelopment Agreement with RPM Development, LLC for the Officer Housing Parcel in the Oceanport sections of the former Fort Monmouth.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 28

ITEM: Rutgers, The State University, Memorandum of Understanding
REQUEST: To approve an extension of time for Rutgers, the State University (RU) to provide the Authority with requests for reimbursement under the Memorandum of Understanding with RU in conjunction with the implementation of the NJ Unmanned Aircraft Systems Consortium until December 31, 2015, with two additional six month extensions.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 29

INCENTIVE PROGRAMS

Grow New Jersey Assistance Program

ITEM: South Jersey Gas Company APPL.#41033

REQUEST: To approve the finding of material factor in the decision to make capital investment and locate in Atlantic City.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 30

Chairman Koeppe recused himself from the project, as a Board Member of New Jersey Resources, because they have an active relationship with the applicant.

Mr. Downes recused himself from the project, as Chairman and CEO of New Jersey Resources, because they have an active relationship with the applicant.

ITEM: South Jersey Gas Company APPL.#41033

REQUEST: To approve the application of South Jersey Gas Company for tax credits under the Grow New Jersey Assistance Program to encourage the applicant to make a capital investment and locate in Atlantic City, NJ. Project location of Atlantic City, Atlantic 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, Jobs with Salary in Excess of County/GSGZ Average, Targeted Industry (Energy), and location in a municipality in Atlantic County with 2007 Revitalization Index greater than 465. The estimated annual award is \$1,265,526 for a 10-year term.

MOTION TO APPROVE: Mr. Dumont **SECOND:** Ms. Duffy **AYES:** 11

RESOLUTION ATTACHED AND MARKED EXHIBIT: 31

Chairman Koeppe recused himself from the project, as a Board Member of New Jersey Resources, because they have an active relationship with the applicant.

Mr. Downes recused himself from the project, as Chairman and CEO of New Jersey Resources, because they have an active relationship with the applicant.

PUBLIC COMMENT

Ms. Novella Hinson, Chief of Staff, City of Camden, thanked the board for its assistance on behalf of Mayor Redd and the City. She remarked that today's approval places the City amongst nine finalists for a grant from the US Department of Housing and Urban Development.

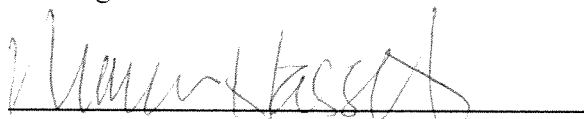
Mr. Marc Riondino, attorney for the City of Camden reiterated Ms. Hinson's sentiments, adding that on behalf of seventy seven thousand residents, the City was very appreciative.

Chairman Koeppe stated that it was a great pleasure for the Board to work with the City.

Chairman Koeppe announced that the Strategic Planning Session scheduled for today was postponed until the fall due to conflicts.

There being no further business, on a motion by Ms. Kokas, and seconded by Ms. Ferrara, the meeting was adjourned at 11:35 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