

# NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

February 19, 2019

## MINUTES OF THE MEETING

Members of the Authority present: Richard Mumford representing Commissioner Marlene Caride of the Department of Banking and Insurance; Catherine Brennan representing State Treasurer Elizabeth Muoio; Dan Ryan representing Commissioner Catherine McCabe of the Department of Environmental Protection; Public Members Charles Sarlo, Vice Chairman; and Fred Dumont.

Members present via conference call: Commissioner Robert Asaro - Angelo of Department of Labor and Workforce Development; Massiel Medina Ferrara, William Layton and Thomas Scrivo, Public Members.

Absent: Public Members Larry Downes, Chairman; Philip Alagia, Louis Goetting, John Lutz, Third Alternate Public Member; and Rodney Sadler, Non-Voting 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 December 11, 2018 meeting minutes. A motion was made to approve the minutes by Mr. Ryan, and seconded by Mr. Dumont, and was approved by the 8 voting members present.

Mr. Mumford abstained because he was not present for the meeting.

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

## AUTHORITY MATTERS

**ITEM:** Small Business Lease Assistance Program

**REQUEST:** To approve the following changes (1) expand the Business Lease Incentive (to be known hereon as the Small Business Lease Assistance Program) to include additional eligible areas effective April 1, 2019; (2) discontinue the Business Improvement Incentive, effective June 28, 2019; (3) supplement the appx \$2.43 million in unused program funding with an additional \$1.47 million utilizing the Economic Recovery Fund account, and; (4) Delegation to Authority staff to approve individual applications to the program.

**MOTION TO APPROVE:** Mr. Ryan

**SECOND:** Mr. Dumont

**AYES:** 9

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

**ITEM:** Premier Lending Program, Small Business Fund, and Direct Loan Program Changes

**REQUEST:** Approval to change the basis point spread added to each five-year period beyond the first 10 years of term provided.

**MOTION TO APPROVE:** Mr. Dumont                      **SECOND:** Mr. Ryan                      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

**ITEM:** Memorandum of Understanding for a Data Sharing Agreement

**REQUEST:** Execute a Memorandum of Understanding for a Data Sharing Agreement between the NJLWD and the NJEDA; and reimbursement to NJLWD of costs related to this MOU not to exceed \$5,000 a year.

**MOTION TO APPROVE:** Mr. Dumont                      **SECOND:** Mr. Ryan                      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**INCENTIVE PROGRAMS**

**Grow New Jersey Assistance Program**

**ITEM:** Elwyn APPL.#45187

**REQUEST:** To approve the finding of a material factor in the decision to make a capital investment and locate in municipality for GROW New Jersey Assistance program project.

**MOTION TO APPROVE:** Mr. Dumont                      **SECOND:** Mr. Ryan                      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

**ITEM:** Elwyn APPL.#45187

**REQUEST:** To approve the application of Elwyn 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 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 estimated annual award is \$ 3,958,200 for a 10-year term.

**MOTION TO APPROVE:** Mr. Ryan                      **SECOND:** Mr. Dumont                      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**ITEM:** Hayward Industries, Inc. APPL.#45467

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

**MOTION TO APPROVE:** Mr. Dumont                      **SECOND:** Ms. Brennan                      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

**ITEM:** Hayward Industries, Inc.

APPL.#45467

**REQUEST:** To approve the application of Hayward Industries, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Berkeley Heights, NJ. Project location of Berkeley Heights, Union 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 Jobs with Salary in excess of County Average and Targeted Industry of Manufacturing. The estimated annual award is \$228,000 for a 10-year term.

**MOTION TO APPROVE:** Ms. Brennan

**SECOND:** Mr. Ryan

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**ITEM:** PuppySpot Group, LLC

APPL.#45407

**REQUEST:** To approve the application of PuppySpot Group, 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. The estimated annual award is \$400,440 for a 10-year term.

**MOTION TO APPROVE:** Mr. Ryan

**SECOND:** Mr. Dumont

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

### Grow New Jersey Assistance Program- Modification

**ITEM:** Capintec, Inc.

APPL.#41249

**REQUEST:** Consent to a modified project with an overall reduction in the incented new full-time jobs from 45 to 21, reducing the award by over 53%.

**MOTION TO APPROVE:** Mr. Dumont

**SECOND:** Mr. Ryan

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

### BOND PROJECTS

#### Amended Bond Resolutions

**ITEM:** Cedar Crest Village, Inc. Modification

APPL.# 36863

**REQUEST:** To adjust the variable rate interest formula and modify the definition of margin rate factor to allow for the adjustment of the interest rate based on either decreases or increases in the maximum corporate tax rates. Consent is also recommended for the extension of the Bonds' Mandatory Tender Date, Maturity, and Amortization schedule.

**MOTION TO APPROVE:** Ms. Brennan

**SECOND:** Mr. Dumont

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**



**PROJECT:** The Pennington School APPL.#45527  
**LOCATION:** Pennington Borough, Mercer County  
**PROCEEDS FOR:** Refunding  
**FINANCING:** \$5,775,000 Tax-exempt bond  
**MOTION TO APPROVE:** Ms. Brennan **SECOND:** Mr. Dumont **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**

**Preliminary Resolutions**

**PROJECT:** Middlesex Water Company APPL.#45257  
**LOCATION:** Statewide  
**PROCEEDS FOR:** Renovation, Equipment Purchase, Equipment Renovation  
**FINANCING:** \$100,000,000 total costs  
**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Ms. Brennan **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

**OFFICE OF ECONOMIC TRANSFORMATION**

**NJ CoVest Fund**

**PROJECT:** InquisitHealth, Inc APPL.#45353  
**LOCATION:** River Edge Borough, Bergen County  
**PROCEEDS FOR:** Working Capital  
**FINANCING:** \$250,000  
**MOTION TO APPROVE:** Mr. Ryan **SECOND:** Mr. Mumford **AYES: 8**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**

Commissioner Robert Asaro – Angelo abstained because of questions related to the project.

Commissioner Robert Asaro – Angelo left the call at this time, due to a scheduling conflict.

**OFFICE OF RECOVERY**

**Stronger NJ Business Loan Modifications**

**ITEM:** Mad Hatter Sports Bar & Restaurant APPL.#40547 & 40541  
**REQUEST:** Consent to payment moratorium on the Stronger NJ Business Loans, contingent to the Savoy Bank loan closing.  
**MOTION TO APPROVE:** Mr. Ryan **SECOND:** Ms. Brennan **AYES: 8**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**



**FOR INFORMATION ONLY: Incentives Modifications – 4<sup>th</sup> quarter 2018**

**FOR INFORMATION ONLY: Technology & Life Sciences- Delegated Authority Approvals for 2018**

**FOR INFORMATION ONLY: Real Estate Delegated Authority- 4th 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 confidential matter. The minutes will be made public when the need for confidentiality no longer exists.

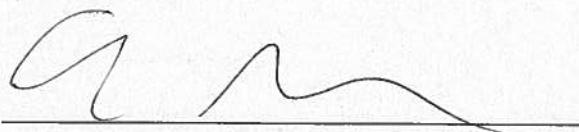
**MOTION TO APPROVE: Mr. Dumont                      SECOND: Mr. Ryan                      AYES: 8**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

The Board returned to Public Session.

There being no further business, on a motion by Mr. Dumont, and seconded by Mr. Ryan, the meeting was adjourned at 11:34am.

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