

# NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

November 9, 2018

## MINUTES OF THE MEETING

Members of the Authority present: Larry Downes, Chairman; Catherine Brennan representing State Treasurer Elizabeth Muoio; Patrick Mullen representing Commissioner Marlene Caride of the Department of Banking and Insurance; Paul Yuen 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 Charles Sarlo, Vice Chairman; Philip Alagia, Fred Dumont, and Massiel Medina Ferrara.

Absent: Public Members Louis Goetting, William Layton, Thomas Scrivo, William J. Albanese, Sr., Second Alternate Public Member; 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. Downes called the meeting to order at 11:00 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 October 11, 2018 meeting minutes. A motion was made to approve the minutes by Mr. Ryan, and seconded by Mr. Sarlo, and was approved by the 9 voting members present.

The next item of business was the approval of the October 11, 2018 executive session meeting minutes. A motion was made to approve the minutes by Mr. Dumont, and seconded by Mr. Mullen, and was approved by the 9 voting members present.

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

## BOARD PRESENTATION

Ms. Tai Cooper, Deputy Chief Policy Advisor, Office of Governor Murphy, gave a presentation on Opportunity Zones.

## AUTHORITY MATTERS

**ITEM:** Proposed New Rules

**REQUEST:** Approve special adopted new rules for the Film & Digital Media Tax Credit Program

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 1**

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

**REQUEST:** Allow the extension of EDA's loan term and amortization under the Premier Lender Program; extend the loan terms under the Small Business Fund and Direct programs; and allow the flexibility to fix interest rates.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 2**

## INCENTIVE PROGRAMS

### Grow New Jersey Assistance Program

**ITEM:** Gobrand, Inc.

APPL.#45135

**REQUEST:** To approve the application of Gobrand, Inc. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Glassboro Borough/ Harrison Township, NJ. Project location of Glassboro Borough/ Harrison Township, Gloucester 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 Large Number of New/Retained F/T Jobs, Targeted Industry of Technology, 2007 Revit. Index>465. The estimated annual award is \$3,913,000 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 3**

**ITEM:** Horsepower Electric & Maintenance Corp.

APPL.#45258

**REQUEST:** To approve the application of Horsepower Electric & Maintenance Corp. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Paterson City, NJ. Project location of Paterson City, Passaic 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 of Manufacturing, GSGZ Ind. Project w/ Cap. Inv. In Excess of Min. The estimated annual award is \$350,000 for a 10-year term.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 4**

**ITEM:** Mesorah Publications, Ltd.

APPL.#45236

**REQUEST:** To approve the application of Mesorah Publications, Ltd. for a Grow New Jersey Assistance Program Grant to encourage the applicant to make a capital investment and locate in Rahway City, NJ. Project location of Rahway City, Union County qualifies as an 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 Capital Investment in Excess of Minimum non-Mega, Targeted Industry of Technology. The estimated annual award is \$825,000 for a 10-year term.

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

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 5**

**Grow New Jersey Assistance Program- Modifications**

**ITEM:** TDAF I Springfield Avenue Holding Urban Renewal Company, LLC

**REQUEST:** Consent to the sale and assignment of TDAF's commercial ERG agreement.

**MOTION TO APPROVE:** Ms. Brennan      **SECOND:** Mr. Yuen

**AYES: 8**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 6**

Mr. Alagia abstained because Essex County is an investor on the project.

**ITEM:** Quest Diagnostics Incorporated

**REQUEST:** Consent to a reduction in the time Grow NJ employees are required to work at the Qualified Business Facility.

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

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 7**

**ITEM:** GrowNJ Extensions

**REQUEST:** Consent to expanding the extension delegation to staff approved by the members.

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

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 8**

**ITEM:** Adare Pharmaceuticals, Inc.

**REQUEST:** Consent to a second six-month extension

**MOTION TO APPROVE:** Ms. Brennan      **SECOND:** Mr. Yuen

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 9**

**ITEM:** York Risk Servicing Group, Inc.

**REQUEST:** Consent to a modified project with an overall reduction in the incented full-time jobs and decrease in the award

**MOTION TO APPROVE:** Mr., Dumont      **SECOND:** Ms. Ferrara

**AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 10**

## **BOND PROJECTS**

### **Bond Resolutions**

**PROJECT:** The Friends of TEAM Charter Schools, Inc. APPL.#45075  
**LOCATION:** Newark City, Essex County  
**PROCEEDS FOR:** Acquisition of Building and Renovations  
**FINANCING:** \$13,500,000 Tax-exempt Series A Bond (Part of a \$65,500,000 Tax-exempt and Taxable bond issue with Appl. P45268)  
**MOTION TO APPROVE:** Mr. Mullen **SECOND:** Mr. Yuen **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 11**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PROJECT:** The Friends of TEAM Charter Schools, Inc. APPL.#45268  
**LOCATION:** Newark City, Essex County  
**PROCEEDS FOR:** Refinancing  
**FINANCING:** \$52,000,000 Taxable Series B Bond (Part of a \$65,500,000 Tax-exempt and Taxable bond issue with Appl. P45075)  
**MOTION TO APPROVE:** Mr. Yuen **SECOND:** Mr. Ryan **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 12**

### **Amended Bond Resolutions**

**PROJECT:** Lutheran Social Ministries at Crane's Mill, Inc. APPL.#45317  
**LOCATION:** West Caldwell, Essex County  
**PROCEEDS FOR:** Refinancing  
**FINANCING:** \$41,930,000 Tax-Exempt Bond (the Applicant is also requesting approval of a new money tax-exempt bond under P045318 in the amount of \$5,000,000)  
**MOTION TO APPROVE:** Mr. Ryan **SECOND:** Mr. Yuen **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PROJECT:** Lutheran Social Ministries at Crane's Mill, Inc. APPL.#45318  
**LOCATION:** West Caldwell, Essex County  
**PROCEEDS FOR:** Renovation of Existing Building  
**FINANCING:** \$5,000,000 Tax-Exempt Bond (the Applicant is also requesting approval of a revenue refunding bond under P045317 in the amount of \$41,930,000)  
**MOTION TO APPROVE:** Mr. Ryan **SECOND:** Mr. Yuen **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 13**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PROJECT:** Yeshiva of North Jersey, a New Jersey Corporation APPL.#45365  
**LOCATION:** River Edge Borough, Bergen County  
**PROCEEDS FOR:** Bond Refund  
**FINANCING:** \$2,620,000 (est.) Part of a total \$7.4 million tax-exempt bond with Appl. P45319  
**MOTION TO APPROVE:** Mr. Yuen **SECOND:** Mr. Ryan **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

**PROJECT:** Yeshiva of North Jersey, a New Jersey Corporation\* APPL.#45365  
**LOCATION:** River Edge Borough, Bergen County  
**PROCEEDS FOR:** Renovation of Existing Building  
**FINANCING:** \$4,780,000 (est.) Part of a total \$7.4 million tax-exempt bond with Appl. P45365  
**MOTION TO APPROVE:** Mr. Yuen **SECOND:** Mr. Ryan **AYES: 9**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 14**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

### **Bond Modifications**

**ITEM:** New Jersey Natural Gas Company  
**REQUEST:** Consent to change the interest rate modes and extend maturities of the bonds  
**MOTION TO APPROVE:** Mr. Dumont **SECOND:** Ms. Brennan **AYES: 8**  
**RESOLUTION ATTACHED AND MARKED EXHIBIT: 15**  
**PUBLIC HEARING:** Yes  
**PUBLIC COMMENT:** None

Mr. Downes recused himself, because he is CEO of New Jersey Natural Gas. Vice Chairman Sarlo chaired this portion of the meeting.

**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. Ryan                      **SECOND:** Mr. Yuen                      **AYES: 9**

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 16**

**PROJECT:** Camden Redevelopment Agency (Camden Town Center)                      APPL.#45049

**LOCATION:** Camden City, Camden County

**PROCEEDS FOR:** Remedial Action

**FINANCING:** \$883,447

**PROJECT:** Township of Hainesport (Frm Hardware & Industrial Tool)                      APPL.#45276

**LOCATION:** Hainesport Township, Burlington County

**PROCEEDS FOR:** Remedial Investigation

**FINANCING:** \$77,872

**PROJECT:** Township of Pittsgrove (US Grain and Feed Corporation)                      APPL.#45032

**LOCATION:** Pittsgrove Township, Salem County

**PROCEEDS FOR:** Remedial Investigation

**FINANCING:** \$141,286

**PROJECT:** City of Trenton (Freight Yards)                      APPL.#44815

**LOCATION:** Trenton City, Mercer County

**PROCEEDS FOR:** Remedial Action

**FINANCING:** \$141,199

**PROJECT:** Township of West Orange (Selecto Flash Inc.)                      APPL.#45275

**LOCATION:** West Orange Township, Essex County

**PROCEEDS FOR:** Remedial Investigation

**FINANCING:** \$129,177



**PROJECT:** Adam Roller  
**LOCATION:** Springfield Township, Union County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$26,092

APPL.#45046

**PROJECT:** Marcella Simadiris  
**LOCATION:** Montclair Township, Essex County  
**PROCEEDS FOR:** Remediation  
**FINANCING:** \$112,377

APPL.#45012

### **OFFICE OF RECOVERY**

#### **Stronger NJ Business Loan Program**

**ITEM:** S Kelly Corporation dba Mad Hatter Sports Bar & Restaurant and Kelly Management Group, LLC; Sea Bright Borough, Monmouth County

APPL.#40547

**REQUEST:** Approve the subordination in position only of the EDA's construction loan previously approved under the Stronger NJ Business Loan Program

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 18**

### **BOARD MEMORANDUMS**

**FOR INFORMATION ONLY:** Projects approved under Delegated Authority

#### **Premier Lender Program**

**PROJECT:** Giordano Vineland Scrap Material, LLC  
**LOCATION:** Vineland City, Cumberland County  
**PROCEEDS FOR:** Purchase of Machinery and Equipment  
**FINANCING:** \$360,000 Capital Bank loan with \$180,000 EDA participation

APPL.#45231

**PROJECT:** Sand Hill Investments LLC  
**LOCATION:** Lakewood Township, Ocean County  
**PROCEEDS FOR:** Purchase of Property, Machinery and Equipment  
**FINANCING:** \$4,634,250 OceanFirst Bank loan with \$876,750 EDA participation

APPL.#45213



**PROJECT:** Theo Hackensack Properties, LLC

APPL.#45181

**LOCATION:** Hackensack City, Bergen County

**PROCEEDS FOR:** Purchase of Property

**FINANCING:** \$550,000 M&T Bank loan with \$275,000 EDA participation

**FOR INFORMATION ONLY:** Post Closing Credit Delegated Authority Approvals for 3rd Quarter 2018

**FOR INFORMATION ONLY:** PUST and HDSRF Program Funding Status

**FOR INFORMATION ONLY:** Technology & Life Sciences - Delegated Authority Approvals for Q3 2018

**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: 19**

The Board returned to Public Session.

**REAL ESTATE**

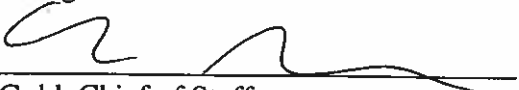
The next item was to approve a lease negotiation matter.

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

**RESOLUTION ATTACHED AND MARKED EXHIBIT: 20**

There being no further business, on a motion by Mr. Dumont, and seconded by Mr. Sarlo, the meeting was adjourned at 12:29pm.

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.

  
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Erin Gold, Chief of Staff  
Assistant Secretary