



**SPECIAL SESSION BOARD MEETING
August 9, 2016**

DATE: August 9, 2016
TIME: 10:00 a.m.
PLACE: 2 DeKorte Park Plaza - Lyndhurst, NJ
RE: **SPECIAL SESSION MEETING MINUTES**

Members in Attendance:

Michael Ferguson, Chairman (via phone)
Joseph Buckelew, Vice Chairman (via phone)
Wayne Hasenbalg, Esq., President and Chief Executive Officer
John Ballantyne, Member
Armando Fontoura, Member
Michael H. Gluck, Esq., Member
LeRoy Jones, Member
George Kolber, Member (via phone until 10:45 a.m.)
Steven Plofker, Member
Andrew Scala, Member
Anthony Scardino, Member
Robert Yudin, Member
Peter Simon, NJ State Treasurer's Representative (via phone)

Absent:

Michael Gonnelli, Member

Also Attending:

Ralph J. Marra, Jr., Sr. Vice President of Legal and Regulatory Affairs
Adam Levy, Vice President of Legal and Regulatory Affairs
Lisa LeBoeuf, Governor's Authorities Unit
Christine Ferrante, Executive Assistant/Paralegal
Kevin Evans, Gibbons
Robert Tuteur, Esq., Eckert Seamans
Kevin Evans, Esq., Gibbons PC

President Hasenbalg called the meeting to order.

President Hasenbalg stated that the New Jersey Sports and Exposition Authority gave notice of the time, place, and date of this meeting by providing such notice to the Secretary of State for the State of New Jersey, The Star-Ledger, The Record, and other newspapers and by posting the notice at the offices of the Authority.

President Hasenbalg explained that since this is a special meeting the board will be limiting actions to the two proposed resolutions. The board will first go into Executive Session. Upon return, the public is invited to comment on the proposed resolutions. After public comment, the board will consider the two resolutions.

I. EXECUTIVE SESSION

President Hasenbalg stated a need for the Board to enter into Executive Session to discuss contractual matters and litigation matters.

Resolution 2016-33 Resolution authorizing the NJSEA to enter into a meeting to which the general public shall not be admitted to discuss legal matters, personnel matters and contract negotiations.

Upon motion made by Commissioner Plofker and seconded by Commissioner Scardino, Resolution 2016-33 was approved by a vote of 13-0.

Executive session commences at 10:05 a.m.

Motion to enter into open session was made by Commissioner Ballantyne and seconded by Commissioner Yudin with all in favor.

Public session re-commences at 11:05 a.m.

President Hasenbalg announced that the proposed resolutions are available. A presentation of the resolutions will be made to the board. Following the presentation there will be opportunity for public comment on the resolutions.

II. PRESENTATION OF RESOLUTIONS 2016-34 AND 2016-35

President Hasenbalg asked NJSEA bond counsel Kevin Evans to explain the resolutions to the Commissioners.

Mr. Evans explained that these are preliminary resolutions relating to a request by Triple 5 regarding the American Dream Project. Triple 5 has contemplated different types of financing that are needed in order to finish construction of the American Dream Project. Considered are the use of Economic Redevelopment Growth Grants and payment in lieu of taxes, using both revenue sources to generate construction proceeds through the issuance of bonds. Back in 2012 the Bergen County Improvement Authority was to issue the ERGG bonds and the Borough of East Rutherford was looking at issuing the RAB bonds. Also, Triple 5 is putting in place its Senior Financing which should be \$1.5 billion and issuance of ERG and RAB bonds of \$1.1 billion.

The NJSEA Board passed a resolution last year that authorized the Authority to issue bonds associated with the ERG grants up to \$350 million. East Rutherford passed a resolution, pursuant to the RAB law, asking the NJSEA to consider issuing a bond associated with the PILOTS, which Triple 5 agreed to pay to East Rutherford.

The NJSEA would issue two bonds, an ERGG bond and a RAB bond which would be purchased by the Wisconsin Public Financial Authority. The Authority will issue an ERGG bond, not to exceed \$350 million to Wisconsin, and a RAB bond not to exceed \$800 million to Wisconsin and in turn Wisconsin would sell its bonds to the public.

Before the board today are preliminary items. No decision has been made as to whether or not to issue bonds. The RAB law requires that any Authority that is looking to issue RAB bonds needs to obtain approval from the Local Finance Board, which in turn seeks advice from the EDA. The NJSEA submitted an application to the Local Finance Board. The proposed resolution 2016-34 is to approve and ratify that application so that it can be considered by the Local Finance Board.

Resolution 2016-35 is associated with the Wisconsin Public Finance Authority. Wisconsin statutes require for any project which is out of state to have the consent of the agency that is within the jurisdiction of the project, before Wisconsin is entitled to consider or finance a project out of state. This resolution would give that consent so that the developer is able to make an application to Wisconsin.

Both bonds are non-recourse, the state, taxpayers and NJSEA are not at risk. There is an ambitious timetable. Triple 5 is looking to close their senior financing at the end of August and close the bond financing, if and when approved, at the end of September.

III. PUBLIC PARTICIPATING ON RESOLUTIONS

- Lane J. Biviano, Esq. – Rutherford resident spoke about concern with tomorrow's matter before Local Finance Board.
- Don Evanson - Secaucus Spectator, spoke of his concern with demise of malls in area.
- Thomas Hurley, North Arlington resident spoke in support of Resolutions 2016-34 and 2016-35.
- Rick Sabato – Westwood resident and President of Bergen County Building Trades, spoke in support of Resolutions 2016-34 and 2016-35.
- Bob Satriano – Hackensack resident and Director of Organizing for the Northeast Regional Council of Carpenters, spoke in support of Resolutions 2016-34 and 2016-35.
- Pedro Navedo – Belleville resident and Council Representative for the North Jersey Carpenters spoke in support of Resolutions 2016-34 and 2016-35.
- Alex Lopez – Hackensack resident and Team Lead for the Hackensack Team Room, spoke in support of Resolutions 2016-34 and 2016-35.

IV APPROVALS

Resolution 2016-34 Resolution approving an application to the Local Finance Board pursuant to the RAB law.

Commission Yudin wanted to emphasize that taxpayers and NJ entities are not at risk. If the project should fail, the only people at risk would be the bond holders.

President Hasenbalg presented Resolution 2016-34. Upon motion by Commissioner Scala and seconded by Commissioner Fontoura, proposed resolution 2016-34 was unanimously approved by 12-0 vote.

Resolution 2016-35 Resolution approving the financing of the American Dream Project pursuant to Section 66.0304(11)(A) of the Wisconsin Statutes.

Commission Plofker expressed that if the board does not take these necessary actions today the project would not be completed.

President Hasenbalg presented Resolution 2016-35. Upon motion by Commissioner Ballantyne and seconded by Commissioner Scardino, proposed resolution 2016-35 was unanimously approved by 12-0 vote.

IX. MOTION TO ADJOURN

Motion to adjourn the meeting was made by Commissioner Plofker and seconded by Commissioner Scardino with all in favor.

I certify that on information and belief this is a true and accurate transcript of the Regular Session Minutes of the New Jersey Sports and Exposition Authority's Special Board Meeting held on August 9, 2016.

Ralph J. Marra, Jr.
Ralph J. Marra, Jr., Esq.
Assistant Secretary (S)

August 9, 2016 – Special Meeting

| Commissioner | Roll Call | 2016-33 | 2016-34 | 2016-35 |
|--------------------|-------------------------------------|---------|---------|---------|
| Ferguson | P (via phone) | Y | Y | Y |
| Buckelew | P (via phone) | Y | Y | Y |
| Hasenbalg | P | Y | Y | Y |
| Ballantyne | P | Y | Y | Y |
| Fontoura | P | Y | Y | Y |
| Gluck | P (via phone) | Y | Y | Y |
| Gonnelli | -- | -- | -- | -- |
| Jones | P | Y | Y | Y |
| Kolber | P (via phone until 10:45a.m.) | Y | -- | -- |
| Plofker | P | Y | Y | Y |
| Scala | P | Y | Y | Y |
| Scardino | P | Y | Y | Y |
| Yudin | P | Y | Y | Y |
| Treasury Rep Simon | P (via phone) | Y | Y | Y |

P - Present A - Abstain
 -- Absent R = Recuse
 Y = Affirmative N = Negative