

BOARD OF DIRECTORS
of Connecticut Innovations, Incorporated
Minutes – Special Meeting
Friday, September 28, 2012

A special meeting of the **Board of Directors of Connecticut Innovations, Incorporated** (the “Board”) was held on September 28, 2012 at the Office of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT.

1. Call to Order: Noting the presence of a quorum, Catherine Smith called the special Board meeting to order at 8:35 a.m. Participating: Karen Buffkin representative for the Office of Policy and Management (by phone); Michael Cantor; Mun Choi (by phone); Daniel Esty, Commissioner of the Department of Energy and Environmental Protection; Lou George (by phone); Alan Greene (by phone); Robert Kennedy, Board of Regents of Higher Education; Stephen Nocera; John Olsen (by phone); Alexander Pencu; Paul Pescatello; Rafael Santiago; Christine Shaw, representing Denise Nappier, State Treasurer; and Catherine Smith, Chairperson of CI and Commissioner of the Department of Economic and Community Development.

Absent: George Schiele.

Staff Attending: Joseph Harpie, Suzanne Kaswan, Claire Leonardi, Karin Lawrence, John Lobon, Peter Longo, Shelly Mondo, Pauline Murphy, Cynthia Petruzzello, Antonio Roberto, Philip Siuta, Linda Wieleba, and Dave Wurzer.

Others Present: Casey Pickett, DECD.

Ms. Smith introduced new members of the CI Board, Alexander Pencu and Michael Cantor. She spoke about their backgrounds and experience and welcomed the new members. Attorney Pescatello administered the oath of office to Mr. Pencu and Mr. Cantor.

2. Approval of Minutes:

Catherine Smith asked the Board members to consider the minutes from the July 23, 2012 meeting.

Upon a motion made by Mr. Santiago, seconded by Mr. Pescatello, the Board members voted in favor of adopting the minutes from the July 23, 2012 meeting as presented (Mr. Pencu and Mr. Cantor abstained from the vote, and Mr. Esty was not present for the vote).

3. Committee Reports:

Finance, Operations and Compensation Committee (“Finance Committee”)—It was noted that there was no Finance Committee meeting since the last Board meeting. The next meeting is scheduled for November 7, 2012.

Audit, Compliance and Governance Committee (“Audit Committee”)—Mr. Pescatello indicated that there was no meeting since the last Board meeting. The next meeting is scheduled for October 15, 2012.

Eli Whitney Investment Committee (“Investment Committee”)—Mr. Longo provided the Investment Committee report. He noted that on September 17, the second session of the TechStart Program began, with five companies going through the program for the next 12 weeks. It is hopeful that following the conclusion of the session, the companies will be ready to launch and attract capital. He mentioned that one of CI’s portfolio companies, HistoRx, recently signed an agreement to be acquired by a large pharmaceutical company. When the deal closes, CI will receive approximately \$1.4 million on its \$600,000 investment made in May 2011. The Board congratulated staff on the successful exit. In response to a question about the pipeline of investments, Mr. Longo indicated that August was one of the busiest months for the Investment Committee. He noted that although the activity slowed in September, it has recently picked back up.

Ms. Smith talked about the Marcum Tech Top 40 event that was recently held and attended by several CI portfolio companies. She noted the tremendous growth rate of the companies and mentioned that the winner of the event, iSend LLC, had a 58,000 percent revenue growth rate over the past 4 years. Ms. Smith indicated that several companies spoke about the reasons they choose to remain in Connecticut. She encouraged Board members to attend the event in the future.

4. Update on CI/CDA Merger:

Ms. Leonardi discussed some of the key events that have occurred internally with respect to the CI/CDA merger. . Strategic organizational changes were made at the end of August. Ms. Leonardi mentioned that a Director of Marketing has been hired and will begin mid-October. She noted the job specifications will be presented to the Board for consideration to reflect organizational changes resulting from the merger. Mr. Roberto will be appointed as Executive Vice President/Chief Operating Officer and will continue to manage the loan side and will work with Mr. Siuta to find ways to incorporate best practices from each of the two organizations. Mr. Siuta was appointed as Senior Vice President/Chief Financial Officer, Mr. Longo will continue to serve as the Chief Investment Officer/Executive Vice President, Ms. Santy is the Director of SBI, and there is a vacant position for the Director of External Relations. Ms. Leonardi indicated that it will be imperative to try to fill this position as soon as possible given the timing of the next legislative session. Ms. Leonardi mentioned that Mr. Harpie will serve as the Chief Lending Officer and Ms. Murphy and Mr. Wagner are also part of the CI

management team. She noted that management has been meeting once every other week to talk about the operations and strategic focus for the organization as a whole. Depending on the outcome of the strategic focus meetings, there may be a need for additional organizational changes.

Ms. Leonardi talked about risk management and mentioned that she, along with Mr. Longo, Mr. Roberto, and Mr. Siuta have been looking at the organization as a whole and cash flows to make sure there is an understanding of the risks of the organization.

Ms. Leonardi stated that the compensation benchmark study should be completed mid-October. The results of the study will be shared with an ad hoc committee of the Board consisting of Ms. Smith, Mr. Greene and Mr. Olsen. Recommendations are anticipated to be brought to the Board in November and implemented by the end of the calendar year.

Ms. Leonardi spoke about cross-organizational focus on innovation and manufacturing. She noted that the SBI has done a lot of work with innovation and CI has a strong connection with manufacturing. Ms. Leonardi noted that staff hopes to introduce a marketing strategy in October to bring both innovation and manufacturing together. A suggestion was made to ensure that there is sufficient program evaluation of all the different programs to determine whether certain things should continue, be redirected or eliminated. Staff was asked to ensure there are clear metrics to sharpen CI's focus, gauge delivery and measure success. With respect to bioscience and manufacturing, the Board expressed the desire to see what other states are doing. It was noted that by working collaboratively rather than in isolation, CI can have a more powerful set of tools.

Ms. Leonardi mentioned that CI recently finalized the first transfer of assets from the Connecticut Energy Finance and Investment Authority.

Mr. Siuta talked about production and operations during the merger, noting that production and operations have continued without interruption in accordance with internal controls and procedures. He mentioned that the accounting staff has received training on the new system. Mr. Siuta spoke about the physical move of staff and mentioned that management is negotiating the lease of an additional 8,000 square feet of office space in building 2 at 865 Brook Street, and it is anticipated that CEFIA staff will move to building 2 so that all CI staff can be together. Mr. Siuta was asked to check again with CHFA to determine whether there is an option of remaining at 999 West Street.

5. Resolution to Bylaws Regarding Officers:

Ms. Leonardi discussed the proposed changes in the Bylaws to expand the identity of the officers of the Corporation including the Chairperson, the Vice Chairperson, the Secretary, the Chief Executive Officer, the President, one or more Executive Vice Presidents, Senior Vice Presidents, Vice Presidents and the Senior Managing Directors.

Upon a motion made by Mr. Esty, seconded by Mr. Santiago, the Board voted unanimously in favor of adopting the following resolution regarding amendments to CI's Bylaws:

RESOLVED, that Section 3.1 of the Bylaws of Connecticut Innovations, Incorporated be amended to read as follows:

3.1 **Officers.** The officers of the Corporation shall be the Chairperson, the Vice-Chairperson, the Secretary, the Chief Executive Officer, and any such other officers, including but not limited to a President, and one or more Executive Vice Presidents, Senior Vice Presidents, Vice-Presidents, and Senior Managing Directors as may be appointed by the Board and not in conflict with law. Each officer other than the Chairperson shall serve at the pleasure of the Board or, in the case of any officer appointed by authority of the Board by any Committee thereof or other officer, at the pleasure of such appointing Committee or other officer, and except in the event of earlier death, resignation or removal, shall serve until a successor is appointed. No officer of the Corporation other than the Chairperson, the Vice Chairperson and the Secretary, shall be a Director.

6. Employee Job Description Changes:

Ms. Leonardi reviewed the job descriptions that have been modified as a result of the proposed new organizational structure. In response to an observation, the job description for Director of Human Resources will include a notation about prorating the salary according to the hours worked.

Upon a motion made by Mr. Kennedy, seconded by Mr. Nocera, the Board voted unanimously in favor of adopting the job descriptions presented for the following positions (Mr. Choi and Ms. Buffkin were not present for the vote):

- Senior Vice President—Chief Financial Officer
- Director of Human Resources
- Executive Vice President and Chief Investment Officer, Venture
- Director, Marketing and Communications
- Executive Vice President and Chief Operating Officer
- Marketing Associate
- Director, External Relations
- Senior Managing Director, Investments

7. Appointment of Ethics Officer:

Ms. Leonardi asked the Board to consider appointing the Director of Human Resources as the ethics officer for CI. Ms. Kaswan explained that the ethics officer is responsible for ensuring compliance with ethics requirements, providing information about ethics policies to new employees when hired and ensuring that everyone has the appropriate

ethics training. It was noted that the other quasi-public agencies and state agencies have an ethics officer.

Upon a motion made by Mr. Nocera, seconded by Mr. Santiago, Connecticut Innovations at a duly called meeting held on September 28, 2012, a quorum being present, voted to appoint the Human Resources Manager as the Ethics Officer for CI (Ms. Buffkin and Mr. Choi were not present for the vote).

8. Innovation Ecosystem Contract Approval:

Ms. Leonardi introduced Casey Pickett, Director of Innovations at DECD, who is helping to administer the Innovation Ecosystem for CI. Mr. Pickett described the background of the Innovation Ecosystem, noting that it was developed as part of the “Jobs” bill to help systematically encourage networking and encourage innovative partnerships to help companies move forward. Hubs will be developed around the state as places where services can be provided and entrepreneurs can congregate and come together in a systematic way to share resources and best practices. Funding for hubs was provided by the board for Stamford and New Haven, and recommendation is being made to authorize the contracts for hubs in Hartford and Eastern Connecticut.

Mr. Pickett described the proposed Hub in Hartford at 370 Asylum Street, noting that the focus is co-working space for scalable ventures. In addition, the proposal funds an entrepreneur-in-residence

Mr. Pickett described the elements of the Hub in the Eastern Connecticut Innovation Corridor (“ECIC”), which include Hub management, marketplace programming, entrepreneurs and executives-in-residence, accelerator programming, clubhouse and extension to Groton

Mr. Pickett provided an overview of the Innovation Vouchers. He explained that he had researched European programs and a program in Canada. The recommendation is to provide selective unmatched \$5,000 grants for Connecticut based high-performing start-up and stage 2 companies. The grants would be paid to approved service providers to deliver on defined products that develop ideas and expedite commercialization of products or services. . The Voucher Program would be administered by the Connecticut Economic Resource Center (“CERC”). There was general consensus that the application process and approval process has to be quick but also has to have the requisite documentation. Ms. Leonardi mentioned that it is likely that the companies would go through some prescreening process with CI first to help expedite the process with Hub approval. There was general consensus that \$5,000 is too small, and there was no objection to authorize up to \$10,000 per grant if necessary under the Voucher Program. .

Mr. Pickett reviewed the marketing objectives. He reviewed the target audiences. A discussion ensued on the branding of the program, and there was general consensus that a new brand should not be developed and that CI's brand should be re-launched. It was noted that over the long-term, CI will want to administer a majority of the program in-house but does not have the capacity at this time.

Mr. Pickett explained the budget for fiscal years 2012 through 2014 for the program. It was noted that under the "Jobs" bill, \$4,800,000 for 5 years was allocated for the Innovations Ecosystem program. Since there was a slow start getting the program up and running, there is a carryover of funds from year 2012 to year 2013.

Ms. Leonardi briefly discussed the need to merge the CI/CDA Websites to reflect CI as a whole. She noted that the budget for this endeavor is separate from the Innovation Ecosystem budget. It was noted that a nationally recognized public relations firm used by the state will be assisting with the marketing of the program at no cost to CI.

The Board asked for a one to two page narrative of all the different components of the Innovation Ecosystem.

Upon a motion made by Ms. Shaw, seconded by Mr. Kennedy, the Board voted unanimously in favor of authorizing the contract approvals for the Hartford Hub; Eastern Connecticut Innovation Corridor Hub; Innovation Voucher Program; and marketing for the Innovation Ecosystem.

9. Committee Approvals:

The Board was asked to consider appointments to the Loan Committee and Eli Whitney Investment Committee ("Investment Committee"). Ms. Leonardi stated that Mr. Pencu has agreed to join the Investment Committee, and an offsite meeting will be scheduled in the near future to go through the due diligence process. She explained the need to appoint members to a Loan Committee that mirrors the Investment Committee but for the review and approval of loans. Ms. Leonardi stated that the Board had delegated authority for approving the loans to the Loan Committee. She mentioned that Mr. Cantor has agreed to serve as chair, and Mr. Kennedy, Mr. Nocera, and Mr. Olsen have agreed to serve as members on the Loan Committee.

Upon a motion made by Mr. Santiago, seconded by Mr. Esty, the Board voted unanimously in favor of appointing Mr. Pencu to the Eli Whitney Investment Committee and Mr. Cantor, Mr. Kennedy, Mr. Nocera and Mr. Olsen to the CI Loan Committee.

Ms. Smith and Ms. Leonardi thanked the members for serving on the committees.

10. Administration:

Mr. Lobon provided the Urbank Program monthly report. One new loan was enrolled for Internal Package Store in the amount of \$185,000. To date, there have been 5 loans totaling \$800,000. The current portfolio balance is \$12,900,000. Total loans since the program inception are approximately 662 in the amount of approximately \$57,000,000. Mr. Lobon stated that out of the \$57,000,000, approximately \$40,000,000 has been repaid, and approximately 6.9 percent has defaulted. In response to a question, Mr. Roberto explained some of the efforts being made to increase interest in the program, including making the program more user-friendly and easier to access and encouraging the use of the program for Community Reinvestment Act credits.

There being no objection, the order of the agenda was changed.

11. Resolutions of CI Board Relating to the Connecticut Brownfields Redevelopment Authority ("CBRA")

Mr. Roberto discussed the proposed changes to the Bylaws of the Connecticut Brownfields Redevelopment Authority, Inc., a subsidiary of CI that was set up to protect CI from liability. He explained the process for approving loans through the subsidiary. The Loan Committee has been delegated authority by the Board to approve CBRA loans. Mr. Roberto explained that the Bylaws indicate that the membership of the CBRA is the members of CI.

Upon a motion made by Mr. Santiago, seconded by Mr. Pescatello, Connecticut Innovations, Incorporated ("CI") at a duly called meeting held on September 28, 2012, a quorum being present, voted unanimously in favor of approving the following resolution of the CI Board relating to the Connecticut Brownfields Redevelopment Authority, Inc.:

**RESOLUTION OF CI BOARD
RELATING TO THE
CONNECTICUT BROWNFIELDS REDEVELOPMENT AUTHORITY**

RESOLVED, that, Connecticut Innovations, Incorporated ("CI"), as statutory successor to the Connecticut Development Authority and the sole member of the Connecticut Brownfields Redevelopment Authority, a Connecticut nonstock corporation ("CBRA"), hereby takes, directs and approves the following actions as sole member of CBRA by unanimous written consent in lieu of a 2012 annual meeting, effective on the date of adoption of this resolution:

1. That the Bylaws of CBRA be and hereby are amended and restated so as to read in their entirety as set forth in attached Schedule A.

2. That the Board of Directors of CBRA shall consist of seventeen (17) members, being the individuals at the time appointed and serving, including the individuals or their designees serving *ex officio*, as members of the board of directors of CI, such individuals to serve as directors of CBRA so long as they continue to serve as members of the board of directors of CI or until their earlier resignation or removal and/or replacement by the Member.

3. That there be a committee of the Board of Directors of CBRA consisting of the members of the Loan Committee of the board of directors of CI, with full authority to act on behalf of the Board of Directors of CBRA on any matter relating to the purchase, sale, lease, remediation, development and/or financing of any “remediation project” as defined in Section 32-23d of the Connecticut General Statutes, as amended.

4. That the following individuals be and hereby are appointed to the offices of CBRA appearing opposite their names below:

Chairperson -	The Chairperson of the Board of Directors of CI, serving <i>ex officio</i>
President -	Claire R. Leonardi
Senior Vice President, Executive Vice President and Vice President -	Each individual then holding the same title at CI
Secretary -	Cynthia R. Petruzzello
Treasurer -	Philip B. Siuta

Items for Action

Connecticut Brownfields Information and Technology Financing Program--Approval of a Loan in an Amount Not to Exceed \$500,000 for the Benefit of the Connecticut Brownfields Redevelopment Authority, (a Subsidiary of Connecticut Innovations) for the Purpose of Connecticut Brownfields Redevelopment Authority Funding of a Brownfields Grant to Haven West, LLC for the Redevelopment of Haven West, LLC ’s Real Property and the Completion of Improvements in North Haven

Ms. Lawrence discussed the proposed loan of up to \$500,000 to the Connecticut Brownfields Redevelopment Authority for a brownfields grant to Haven West, LLC for the development of real property and the construction of improvements at 222 McDermott Road in North Haven, Connecticut. She explained the proposed terms and

conditions of the loan and mentioned that the loan was previously approved by the former Connecticut Development Authority but has expired. Ms. Lawrence mentioned that a written remedial action plan for the site was prepared and approved by the Blue River Engineering, LLC, and was submitted to DEEP in January, 2012. A Covenant Not to Sue was issued by DEEP in June 2012 allowing the project to proceed. *Mr. Esty stated that absent a formal confirmation about any potential conflicts of interest, he will abstain from the vote and discussion on this issue.*

Upon a motion made by Mr. Santiago, seconded by Mr. Pencu, Connecticut Innovations, Incorporated (“CI”) at a duly called meeting held on September 28, 2012, a quorum being present, approved the following resolution for the loan of \$500,000 to the Connecticut Brownfields Redevelopment Authority for the purpose of Connecticut Brownfield’s Redevelopment Authority funding a brownfields grant to Haven West, LLC (“HW”) for the development of real property and the construction of improvements at 222 McDermott Road in North Haven, Connecticut (Mr. Esty abstained from the vote):

WHEREAS, Pursuant to Sections 148 and 150 of Public Act No. 12-1 (June 2012 Special Session) and Section 32-23zz of the Connecticut General Statutes, as amended (together the “Enabling Legislation”) for the purpose of assisting a “remediation project”, as defined in the Enabling Legislation, the Connecticut Brownfields Redevelopment Authority (the “CBRA”), a subsidiary of Connecticut Innovations Incorporated (“CI”) is authorized, upon resolution of the legislative body of a municipality, to issue and administer bonds, notes or other obligations which are payable solely or in part from and secured by: (A) a pledge of and lien upon any and all of the income, proceeds, revenues and property of as remediation project, including the proceeds of grants, loans, advances or contributions from the federal government, the state or any source, including financial assistance furnished by the municipality or any other public body; (B) taxes or payments or grants in lieu of taxes allocated to and payable into a special fund of CBRA, or (C) any combination of the foregoing: and

WHEREAS, Pursuant to the Enabling Legislation, CI may make loans or grants to CBRA, following standard CI procedures, from CI’s assets and the proceeds of its bonds, notes and other obligations, provided however, that the source and security, if any, for the repayment of any such loans or guarantees is derived from the assets, revenues and resources of such subsidiary; and

WHEREAS, the Town of North Haven (the “Municipality”), acting through its legislative body, will request that CBRA issue and administer a note of the CBRA to CI pursuant to the Enabling Legislation (the “Note”), in an aggregate principal amount of up to \$500,000, with interest at a per annum rate of the higher of 6.0% or market rate at issuance, which principal amount shall include the reimbursement of the provider of or reimbursement party with respect to any guarantee or letter of credit used to secure the payment of the Note, to the extent of any payments made therefrom, including

reimbursement to the extent of any payments by CI of costs of issuance or administration with respect to the Note or any other expenses incurred by CI in providing financial assistance for the project (as defined below), for the purpose of providing a brownfields grant to Haven West, LLC (the "Owner") for the acquisition, development or redevelopment of real property and the construction of improvements at 222 McDermott Road, North Haven, CT for purposes of remediating and improving the 6-acre parcel of land for use as a 95,000 square foot commercial space, to be built in 2013 (the "Project") after the remediation project; and

WHEREAS, the project will involve the productive reuse of polluted or contaminated real property and will add or support significant new economic activity or employment in the Municipality; and

WHEREAS, to secure and provide for the payments of the Note as contemplated by the Enabling Legislation and in consideration of such financial assistance from the CBRA for the Project, the Municipality and all other taxing agencies in the Municipality shall pledge to the CBRA and grant to the CBRA, in an Assignment Agreement between the Municipality and the CBRA (the "Assignment Agreement"), a lien upon certain incremental municipal property tax revenues with respect to the Project for deposit to a special fund of the CBRA, for the purpose of payment of the Note; and

WHEREAS, CBRA has requested that the CI loan the principal amount of \$500,000 to the CBRA for the purpose of providing the brownfields grant described above to the Owner, and the CBRA shall execute and deliver the Note to CI, which Note shall provide, among other things, that the CBRA shall repay the loan from CIA by paying to CI any and all incremental tax revenues received by the CBRA under the Assignment Agreement; and

WHEREAS, to secure the payment of the note to CI, CBRA shall agree that it will assign to CI all of CBRA's right, title, and interest with respect to such incremental property tax revenues and under the Assignment Agreement and the Financial Assistance Agreement between CBRA and the Town of North Haven (the "CBRA Assignment").

NOW THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CONNECTICUT INNOVATIONS AS FOLLOWS:

1. That CI shall make a loan to the CBRA for the purposes described above in the amount of \$500,000, at a per annum interest rate of the highest of 6.0% or market rate at issuance for a term of fifteen years.
2. That the form of the note is hereby approved.
3. Resolved, that CI intends to use the proceeds of TIF bonds to be issued in the maximum principal amount of \$500,000 to reimburse amounts loaned by CI to the Connecticut Brownfields Redevelopment

Authority to fund a brownfields grant to pay expenditures (or to reimburse expenditures made no earlier than 60 days prior to the adoption of this resolution) for the redevelopment and construction of certain real property owned by Haven West, LLC in order to remediate and improve such real property for use as a commercial property. Such reimbursement is not inconsistent with CI's budgetary circumstances and no other funds of CI have been or are expected to be set aside or reserved to fund a loan or grant to CBRA for such purpose.

4. That each of the President and the senior officers of CI is hereby authorized to make the loan to the CBRA to accept the Note and to negotiate and accept the CBRA Assignment and to take such further actions and execute such additional documents, all on behalf of CI, as in the judgment of such officer is necessary or appropriate in furtherance of these resolutions.

Upon a motion made by Mr. Santiago, seconded by Mr. Pencu, the CI Board voted to recess the Board meeting at 10:38 a.m.

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Upon a motion made by Ms. Smith, seconded by Mr. Nocera, the Connecticut Brownfields Redevelopment Authority opened the meeting at 10:39 a.m.

Members present were Karen Buffkin representative for the Office of Policy and Management (by phone); Michael Cantor; Mun Choi (by phone); Lou George (by phone); Alan Greene (by phone); Stephen Nocera; John Olsen (by phone); Alexander Pencu; Paul Pescatello; Rafael Santiago; Christine Shaw, representing Denise Nappier, State Treasurer; and Catherine Smith, Chairperson of CI and Commissioner of the Department of Economic and Community Development.

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Connecticut Brownfields Redevelopment Authority (a Subsidiary of Connecticut Innovations) - Approval of a Grant in an Amount Not to Exceed \$500,000 For the Benefit of Haven West LLC, North Haven.

Upon motion by Mr. Santiago, seconded by Mr. Pencu, the Connecticut Brownfields Redevelopment Authority at a duly called meeting held September 28, 2012, a quorum being present, voted to approve the following resolutions for the loan in an amount not to exceed \$500,000 from Connecticut Innovations and the Brownfields grant to Haven West LLC for the purpose of assisting in the development or redevelopment of Haven West LLC's real property

and the construction of improvements at the 222 McDermott Road site in North Haven, Connecticut:

NOW THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CONNECTICUT BROWNFIELDS REDEVELOPMENT AUTHORITY AS FOLLOWS:

1. That the CBRA shall borrow from CI for the purposes described above the amount of \$500,000, at an interest rate of the highest of 6.0% per annum or market rate at the time of issuance, for a term of fifteen years and shall issue the Note to CI evidencing such loan.
2. That the execution and delivery by the CBRA to CI of the Note and the CBRA assignment are hereby authorized and approved.
3. That the execution and delivery by the CBRA of the Assignment Agreement and the Grant Documents are hereby authorized and approved.
4. That each of the President and any Vice President of CBRA is hereby authorized to negotiate, execute and deliver the Note, the CBRA Assignment, the Assignment Agreement, the Grant Documents and all other documents relating the loan or the Grant and to take such further actions and execute such additional documents, all on behalf of the CBRA, as in the judgment of such officer is necessary or appropriate in furtherance of these resolutions.
5. That the execution and delivery by the CBRA to CI of the Note and the CBRA assignment are hereby authorized and approved.
6. That the execution and delivery by the CBRA of the Assignment Agreement and the Grant Documents are hereby authorized and approved.
7. That each of the President and any Vice President of CBRA is hereby authorized to negotiate, execute and deliver the Note, the CBRA Assignment, the Assignment Agreement, the Grant Documents and all other documents relating the loan or the Grant and to take such further actions and execute such additional documents, all on behalf of the CBRA, as in the judgment of such officer is necessary or appropriate in furtherance of these resolutions.

Upon motion by Mr. Cantor, seconded by Mr. Pencu, the Connecticut Brownfields Redevelopment Authority voted to adjourn the meeting at 10:40 a.m.

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Upon motion by Ms. Smith, seconded by Mr. Pencu, Connecticut Innovations reconvened the Board meeting at 10:41 a.m.

12. Items for Action:

Comprehensive Business Assistance Fund:

Mr. Harpie summarized the request to provide up to \$200,000 of funding for the benefit of 47 Jelliff Mill, LLC located in New Canaan under the Connecticut Comprehensive Business Assistance Fund to help fund repairs to a dam. The applicant is a real estate holding company and owns a site that includes the dam. The Board questioned whether a hydro project could be incorporated on the site. Staff indicated that this site is probably not a good candidate because of the lack of water flowing. In response to a question, it was noted that between 25 and 30 percent of the units proposed to be built at the site will be designated as below market rents. Mr. Roberto explained that the Comprehensive Business Assistance Fund includes dam repairs that DEEP declares at certain levels. It was noted that this project will create jobs and is an essential piece of the project. Staff was asked to be clear in future presentations to connect these types of projects to economic development.

Upon a motion made by Mr. Nocera, seconded by Mr. Pescatello, Connecticut Innovations, Incorporated (“CI”) at a duly called meeting held on September 28, 2012, a quorum being present, voted to approve a direct loan from the Connecticut Comprehensive Business Assistance Fund existing under Section 32-23x of the Connecticut General Statutes, as amended, for the purpose of funding repairs to a dam, in an amount not to exceed \$200,000, and for a term not to exceed ten years, for the benefit of 47 Jelliff Mill LLC, New Canaan with the terms and conditions recommended by staff.

Connecticut Growth Fund:

Mr. Harpie summarized the request to provide up to \$200,000 of funding for the benefit of Pith Products, LLC, Ashford under the Connecticut Growth Fund for a CAPEX line of credit to fund equipment and for working capital. Pith is a manufacturer of high quality, durable, reusable wood and composite containers for storage and shipping of precision instruments, equipment, tools, etc. Mr. Harpie discussed the terms and conditions of the loan as well as the economic benefits.

Upon a motion made by Mr. Esty, seconded by Mr. Pescatello, Connecticut Innovations, Incorporated (“CI”) at a duly called meeting held on September 28, 2012, a quorum being present, voted to approve a direct loan from the Connecticut Growth Fund existing under Section 32-23v of the Connecticut General Statutes, as amended, for the purpose of a CAPEX line of credit (equipment purchase/permanent working capital), in an amount not to exceed \$200,000, and for a term not to exceed seven (7) years, for the benefit of Pith Products, LLC, Ashford with the terms and conditions recommended by staff.

Connecticut Works Fund:

Mr. Harpie discussed the request to provide a direct loan from the Connecticut Works Fund not to exceed \$4,000,000 for the benefit of Polamer Realty LLC. Polamer Precision, Inc. is a high tech specialty aerospace components’ manufacturer. In response to a question, Mr. Harpie explained the rationale of the proposed loan structure and explained some of the risk factors for the private funding even with a first loan position. While expressing an understanding of the reasons for the structure of this transaction, staff was encouraged in future transactions to extend the leverage of other funding and reduce CI’s funding whenever possible.

Upon a motion made by Mr. Cantor, seconded by Mr. Nocera, Connecticut Innovations, Incorporated (“CI”) at a duly called meeting held on September 28, 2012, a quorum being present, voted to approve a direct loan from the Connecticut Works Fund existing under Section 32-23ii of the Connecticut General Statutes, as amended, for the purpose of construction of the Borrower’s facility for expansion, in an amount not to exceed \$4,000,000, and for a term not to exceed 10 years, for the benefit of Polamer Realty LLC, with the terms and conditions recommended by staff.

Mr. Esty and Mr. Kennedy left the meeting at this time.

Connecticut Sales and Use Tax Relief Program:

Winchester Lofts, LLC, - New Haven, CT

Ms. Lawrence discussed the request to approve sales tax relief not to exceed \$1,000,000 under the Connecticut Sales and Use Tax Relief Program for the purchase of capital equipment and materials for the benefit of Winchester Lofts, LLC, New Haven. Winchester Lofts, LLC has requested sales tax relief for the building of a 158-unit apartment building with associated parking in the Higher One Winchester Arms Redevelopment Project.

Upon a motion made by Mr. Pescatello, seconded by Mr. Nocera, Connecticut Innovations, Incorporated (“CI”) at a duly called meeting held on September 28, 2012, a quorum being present, voted unanimously in favor of approving sales tax relief under Section 32-23h of the Connecticut General Statutes, as amended, on the purchase of capital equipment and materials, for the benefit of Winchester Lofts, LLC, New Haven. Said tax exemption shall not exceed \$1,000,000 over a period not to exceed 3 years and will be subject to the terms and conditions recommended by staff (Mr. Esty and Mr. Kennedy were not present for the vote).

Bridgewater Associates, LP. - Stamford, CT

Ms. Lawrence reviewed the request to approve sales tax relief not to exceed \$32,000,000 for the purchase of capital equipment and materials for the benefit of Bridgewater Associates, LP. Bridgewater has requested sales tax relief on the investment in a new headquarters facility in the Harbor Point Waterfront District in Stamford. In response to a question, it was noted that not all employees are Connecticut residents. However, all employees are subject to Connecticut payroll taxes. Ms. Smith talked about the negotiations and efforts that were extended to keep the company from moving out of the state. In exchange for the sales tax relief, Bridgewater will retain 1,200 existing employees in Connecticut and create 750 to 1,000 additional jobs in Connecticut.

Upon a motion made by Mr. Cantor, seconded by Mr. Pencu, Connecticut Innovations, Incorporated (“CI”) at a duly called meeting held on September 28, 2012, a quorum being present, voted unanimously in favor of approving sales tax relief under Section 32-23h of the Connecticut General Statutes, as amended, on the purchase of capital equipment and materials, for the benefit of Bridgewater Associates LP, Westport. Said tax exemption shall not exceed \$32,000,000 over a period not to exceed 5 years and will be subject to the terms and conditions recommended by staff (Mr. Esty and Mr. Kennedy were not present for the vote).

13. **Adjournment:** Upon a motion made by Mr. Santiago, seconded by Mr. Pescatello, the Board voted in favor of adjourning the September 28, 2012 meeting at 10:50 a.m.

Respectfully submitted,

Catherine Smith
Chairperson of CI