

LOAN COMMITTEE
of Connecticut Innovations, Incorporated
Minutes – Regular Meeting
Monday, October 21, 2013

A regular meeting of the **Loan Committee of Connecticut Innovations, Incorporated** (the “Loan Committee”) was held on October 21, 2013, at the office of Connecticut Innovations, Inc., 865 Brook Street, Rocky Hill, CT.

1. Call to Order: Richard Mulready, Chairperson of the Loan Committee, noting the presence of a quorum, called the meeting to order at 8:30 a.m. Loan Committee members present: Richard Mulready; John Olsen (by phone); David Siegel (by phone); and Catherine Smith, Commissioner of the Department of Economic and Community Development (by phone).

Absent: Stephen Nocera.

Other Board Member present: Michael Cantor, Chairperson of CI.

Staff present: Karin Lawrence, Peter Longo, Shelly Mondo, Ted Murphy, Ralph Neclerio, Megan Patel, Tony Roberto, and Linda Wieleba.

2. Approval of Minutes:

Mr. Mulready asked the Loan Committee members to consider the minutes of the September 30, 2013 meeting.

Upon a motion made by Mr. Siegel, seconded by Mr. Olsen, the Loan Committee members voted unanimously in favor of adopting the minutes of the September 30, 2013 meeting as presented.

3. Items for Action:

Connecticut Works Fund:

- Approval of a Direct Inducement Loan in an Amount Not to Exceed \$1,792,000, which Amount May be Participated under “Seamless Funding” with DECD for the Benefit of Bruce Avenue Associates, LLC, Stratford, CT.
- Approval of a Direct Inducement Loan in an Amount Not to Exceed \$949,000 for the Benefit of Nuovo Pasta Productions, Ltd, Stratford, CT.

Mr. Murphy discussed the request for a direct inducement loan not to exceed \$1,792,000 from the Connecticut Works Fund, which amount may be participated under "Seamless Funding" in the amount of \$895,000 with the Department of Economic and Community Development for the benefit of Bruce Avenue Associates, Stratford. He also reviewed the request for a direct inducement loan not to exceed \$949,000 for the benefit of Nuovo Pasta Production, Ltd, Stratford. Mr. Murphy spoke about the background of the company and reviewed the terms and conditions of the loans. The Loan Committee members discussed the proposed loans and benefits to the State of Connecticut.

Upon a motion made by Mr. Olsen, seconded by Mr. Siegel, the Loan Committee members voted unanimously in favor of approving the following resolutions regarding direct inducement loans from the Connecticut Works Fund for the benefit of Bruce Avenue Associates, LLC, and Nuovo Pasta Productions Limited, Stratford, CT:

RESOLVED:

(1) That Connecticut Innovations, Inc. ("CI") approves a direct inducement 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 ONE MILLION SEVEN HUNDRED NINETY-TWO THOUSAND DOLLARS (\$1,792,000) for a term not to exceed 21 years for the benefit of Bruce Avenue Associates, LLC, Stratford, CT with the terms and conditions recommended by staff; and

(2) That the Department of Economic & Community Development ("DECD") may purchase a 49.94 percent pro-rata loan participation in said loan for an amount of EIGHT HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$895,000), subject to the general terms and conditions of the Master Participation Agreement dated August 22, 1997 executed by CI and DECD.

(3) that the proper officers be and are hereby authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such financing to be effected; and (b) contain such terms and conditions as the Signatory shall deem to be in the best interests of CI, the Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the proper officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

RESOLVED:

- (1) That Connecticut Innovations, Inc. ("CI") approves a direct inducement loan from the Connecticut Works Fund existing under Section 32-23ii of the Connecticut General Statutes, as amended, for the purpose of the purchase of new equipment for the borrower's expansion, in an amount not to exceed NINE HUNDRED FORTY-NINE THOUSAND DOLLARS (\$949,000) for a term not to exceed 11 years for the benefit of Nuovo Pasta Productions Ltd, Stratford, CT with the terms and conditions recommended by staff; and
- (2) that the proper officers be and are hereby authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such financing to be effected; and (b) contain such terms and conditions as the Signatory shall deem to be in the best interests of CI, the Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and
- (3) that the proper officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

Connecticut Sales and Use Tax Relief Program:

- Approval of a Sales and Use Tax Exemption in an Amount Not to Exceed \$3,900,000 to Benefit Amazon.com, Inc., for Construction of a Fulfillment Center in Windsor, CT.

Ms. Lawrence explained the request for a sales and use tax exemption in an amount not to exceed \$3,900,000 to benefit Amazon.com, Inc., for the construction of a fulfillment center in Windsor, CT. She spoke about the background of the company and the number of jobs that will be created in the State.

Upon a motion made by Mr. Siegel, seconded by Ms. Smith, the Loan Committee members voted unanimously in favor of approving the following resolution regarding a sales and use tax exemption for Amazon.com, Inc., Windsor, CT:

RESOLVED:

(1) that Connecticut Innovations, Inc. ("CI") approves sales and use tax relief, authorized under Section 32-23h of the Connecticut General Statutes, as amended, on the purchase of capital equipment and materials and services, for the benefit of Amazon.com, Inc. Said tax exemption shall not exceed **THREE MILLION NINE HUNDRED THOUSAND DOLLARS (\$3,900,000)** over a period not to exceed 3 years and will be subject to the terms and conditions recommended by staff;

(2) that the proper officers be and are hereby authorized to execute and deliver for and on behalf of CI such agreements and related documents to cause such exemption to be effected; and (b) contain such terms and conditions as the Signatory shall deem to be in the best interests of CI, the Signatory's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of the agreements; and

(3) that the proper officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above mentioned agreements.

4. **Date of Next Meeting:** November 18, 2013

5. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 9:18 a.m.

Respectfully submitted,

Richard Mulready
Chairman of the Loan Committee