



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: April 10, 2007
SUBJECT: Agenda for Board Meeting of the Authority April 10, 2007

1. **Notice of Public Meeting**
2. **Roll Call**
3. **Approval of Previous Month's Minutes**
4. **Chief Executive Officer's Monthly Report to the Board**
5. **Authority Matters**
6. **Bond Projects**
7. **Loans/Grants/Guarantees**
8. **BEIP**
9. **Board Memorandums**
10. **Real Estate**
11. **Public Comment**
12. **Executive Session**
* to discuss employee matters
13. **Adjournment**



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
March 13, 2007

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; Mike Sheridan representing the Commissioner of the Department of Banking and Insurance; Noel McGuire representing the Secretary of the NJ Commerce, Economic Growth and Tourism Commission; Lopa Kolluri, representing the State Treasurer; Frank LoDolce representing the Commissioner of Education; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Carlos A. Medina, Philip Kirschner, Steve Plofker, and Thomas Manning, Public Members; Raymond Burke, Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Charles Sarlo and Timothy Carden, Public Members; Carmen Twillie Ambar, Alternate Public Member

Also present: Caren Franzini, Chief Executive Officer of the Authority; bond counsel for the Authority; Bette Renaud, Deputy Attorney General, and guests.

Chairman Van Horn called the meeting to order at 10:05 a.m.

Pursuant to the Internal Revenue Code of 1986, Ms. Franzini 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, Ms. Franzini 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 at the State House.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the February 13, 2007 meeting minutes of the Board, and special meeting minutes for February 6, 2007, and February 21, 2007. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. McNamara and was approved by the 12 Members present.

A motion was made to approve the February 6, 2007 special meeting minutes by Mr. Manning, seconded by Mr. Plofker and was approved by the 12 Members present.

A motion was made to approve the February 13, 2007 minutes by Mr. Kirschner, seconded by Mr. Sheridan and was approved by the 12 Members present.

The next item was the presentation of the Chief Executive Officer's Monthly Report to the Board.
(For Informational Purposes Only)

BOND RESOLUTIONS

PROJECT: MJF Realty Group, LLC and McLean Packaging Corporation* **APPL.# 17528**
LOCATION: Moorestown Twp./Burlington Cty. **BUSINESS:** Mfr. of cartons and displays
PROCEEDS FOR: bldg. aqui.& renov.
FINANCING: \$4,650,000 Tax-Exempt Bond

PROJECT: McLean Packaging Corporation and MJF Realty Group, LLC* **APPL.# 17529**
LOCATION: Moorestown Twp./Burlington Cty. **BUSINESS:** Mfr. of cartons and displays
PROCEEDS FOR: equip. purch.
FINANCING: \$5,350,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: St. John Vianney High School* **APPL.#17980**
LOCATION: Holmdel Twp./Monmouth Cty. **BUSINESS:** Not-for-profit high school
PROCEEDS FOR: bldg. renova.
FINANCING: \$3,200,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Sheridan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None
Subject to review of the Attorney General's office of Church/State issue

AMENDED BOND RESOLUTIONS

PROJECT: Jewish Federation of Somerset, Hunterdon and Warren Counties **APPL.#12884**
LOCATION: Bridgewater Twp./Somerset Cty. **BUSINESS:** Not-for-profit community center
AMENDED RESOLUTION TO: modify the Bond and Note to reduce the interest rate from the current rate of 6.34% to a variable rate based on 65% of the 1 month PNC Eurodollar rate plus 230 basis points (currently 4.93%) swapped to a synthetic fixed rate of 4.95% for the remainder of the term of the Bond.
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 3

PROJECT: Pivotal Utility Holdings, Inc.

APPL.#18067

LOCATION: Various

BUSINESS: Gas utility company

AMENDED RESOLUTION TO: current refund principal amount of the 1997 Bonds in the amount of \$54,600,000.

MOTION TO APPROVE: Mr. Plofker

SECOND: Mr. Sheridan

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 4

Subject to approval of NJ Board of Public Utilities

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Far Hills Country Day School*

APPL.#18081

LOCATION: Far Hills Borough/Somerset Cty.

BUSINESS: Not-for-profit coed. school

PROCEEDS FOR: bldg. const. & renov.

FINANCING: \$4,000,000 Tax-Exempt Bond

MOTION TO APPROVE: Mr. McNamara

SECOND: Ms. Kolluri

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 5

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: A.I.S. Realty, LLC for the benefit of

APPL.#18050

American Industrial Supply Corporation

LOCATION: Perth Amboy City/Middlesex Cty.

BUSINESS: Distribution of pipes & valves

PROCEEDS FOR: bldg. acqui./equip. purch.

MOTION TO APPROVE: Mr. Plofker

SECOND: Mr. Manning

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 6

Ms. Franzini recused herself from this project because she is getting an award from them so Mr. Kosierowski described the project

PROJECT: Community Options, Inc.

APPL.#18034

LOCATION: Various

BUSINESS: Not-for-profit social services organization

PROCEEDS FOR: refinancing/bldg. acqui.

MOTION TO APPROVE: Mr. Plofker

SECOND: Mr. Kirschner

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PROJECT: Register Lithographers, Ltd. for the benefit of Goldmark Group, Inc. **APPL.#18106**
LOCATION: Clifton City/Passaic Cty. **BUSINESS:** Commercial printer
PROCEEDS FOR: equip. purch./bldg. renov.
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. McNamara **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PUBLIC HEARING ONLY

PROJECT: B & M Building Co., LLC for the benefit of Signal Sign Co., LLC* **APPL.#17998**
LOCATION: Livingston Twp./Essex Cty. **BUSINESS:** Mfr. of signs
PROCEEDS FOR: bldg. acqui. & renov.
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

PROJECT: Jewish Renaissance Medical Center, Inc.* **APPL.#17916**
LOCATION: Perth Amboy/Middlesex Cty. **BUSINESS:** Not-for-profit health care org.
PROCEEDS FOR: refin./bldg. renov.
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

PROJECT: Newark Downtown District Management Corporation* **APPL.#17841**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Not-for-profit business assoc.
PROCEEDS FOR: site improvements
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Damascus Bakery, Inc. **APPL.#17629**
LOCATION: Secaucus Town/Hudson Cty. **BUSINESS:** Mfr. of pita bread
PROCEEDS FOR: equip. purch./bldg. renov. & constr.
FINANCING: \$7,750,000 Tax-Exempt Bond with a 12.9% Authority guarantee of principal not to exceed \$1,000,000 for five years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: Damascus Bakery, Inc. **APPL.#17790**
LOCATION: Secaucus Town/Hudson Cty. **BUSINESS:** Mfr. of pita bread
PROCEEDS FOR: equip. purch./bldg. renov. & const.
FINANCING: \$750,000 direct loan
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. McNamara **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

STATEWIDE LOAN POOL PROGRAM

PROJECT: EdmondMarks Technologies, Inc. **APPL.#17938**
LOCATION: Neptune Twp./Monmouth Cty. **BUSINESS:** Electronic services mfr.
PROCEEDS FOR: working capital/equip. purch.
FINANCING: \$600,000 bank loan with a \$150,000 (25%) Authority participation and a 25% five year guarantee of principal outstanding not to exceed \$112,500
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

PROJECT: Independence Realty Group **APPL.#17957**
LOCATION: Carneys Point Twp./Salem Cty. **BUSINESS:** Ice cream stand & restaurant
PROCEEDS FOR: bus. acqui.
FINANCING: \$650,000 bank loan with a \$250,000 (38.5%) Authority participation
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Manning **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

PROJECT: NRS, LLC for the benefit of Denaka Partners **APPL.#17958**
LOCATION: Trenton City/Mercer Cty. **BUSINESS:** Mfr. of rubber goods
PROCEEDS FOR: refinancing
FINANCING: \$744,000 bank loan with a \$75,000 (10%) Authority participation
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Sheridan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Jewish Renaissance Medical Center, Inc. **APPL.#17914**
LOCATION: Perth Amboy/Middlesex Cty. **BUSINESS:** Not-for-profit health care org.
PROCEEDS FOR: bldg. renov. & acqui./equip. purch.
FINANCING: \$2,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. McNamara **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

PROJECT: TETITO, LLC for the benefit of Toth, Inc. **APPL.#17858**
LOCATION: Pennsauken Twp./Camden Cty. **BUSINESS:** Mfr. aerospace parts
PROCEEDS FOR: bldg. acqui.
FINANCING: \$895,500 bank loan with a \$248,750 Authority participation funded by the Local Development Financing Fund
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Kolluri **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

EDISON INNOVATION FUND

PROJECT: Corente, Inc. **APPL.#17580**
LOCATION: East Brunswick Twp./ Middlesex Cty. **BUSINESS:** Provider of internet applications
PROCEEDS FOR: working capital
FINANCING: \$1,000,000 Edison Innovation Fund Investment
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: myLEADERBOARD, Inc. **APPL.#17960**
LOCATION: Camden City/Camden Cty. **BUSINESS:** Provider of event info.
PROCEEDS FOR: working capital
FINANCING: \$1,000,000 Edison Innovation Fund Investment
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: myLEADERBOARD, Inc. **APPL.#18171**
LOCATION: Camden City/Camden Cty. **BUSINESS:** Provider of event info.
APPROVAL REQUEST: to approve a request for \$100,000 from the Camden Technology Seed Capital Fund Program
MOTION TO APPROVE: Mr. McNamara **SECOND:** Ms. Kolluri **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: Camden Redevelopment Agency **APPL.#17193**
(301 Market Street)
LOCATION: Camden City/Camden Cty.
PROCEEDS FOR: bldg. const.
FINANCING: \$3,000,000 Economic Recovery Board for Camden recoverable grant program
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. McNamara **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 15
Mr. Plofker recused himself because he has a relationship with the developer

PROJECT: Camden Redevelopment Agency
(Parkade Bldg./Roosevelt Plaza)

APPL.#17939

LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: bldg. acqui. & const.

FINANCING: \$3,000,000 Economic Recovery Board for Camden non-recoverable grant

MOTION TO APPROVE: Mr. McNamara **SECOND:** Ms. Kolluri **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PETROLEUM UNDERGROND STORAGE TANK PROGRAM

The next item was the Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of February 2007. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following projects presented were municipal grants under the Hazardous Discharge Site Remediation Fund program.

MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Kolluri **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: City of Rahway

APPL.#18150

(Former Warwick Laboratories)

LOCATION: Rahway City/Union Cty.

PROCEEDS FOR: site remediation

FINANCING: \$344,487 NJDEP Hazardous Discharge Site Remediation grant

PROJECT: Borough of Somerville

APPL.#17977

(Somerville Landfill)

LOCATION: Somerville Borough/Somerset Cty.

PROCEEDS FOR: site remediation

FINANCING: \$209,843 NJDEP Hazardous Discharge Site Remediation grant

The next item was the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of February 2007. **(For Informational Purposes Only)**

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: Dietz and Watson, Inc.

APPL.#18083

LOCATION: Delanco Twp./Burlington Cty.

BUSINESS: Mfr. of deli meats

GRANT AWARD: 55% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Manning

SECOND: Mr. Plofker

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Hoffman-La Roche, Inc. **APPL.#17843**
LOCATION: Nutley Twp./Essex Cty. **BUSINESS:** Pharmaceutical mfr.
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Sheridan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: JYACC, Inc. d/b/a Prolifics **APPL.#18088**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** Technology company
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Novo Nordisk, Inc. **APPL.#18102**
LOCATION: TBD **BUSINESS:** Pharmaceutical mfr.
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. McGuire **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Trimco Display, LLC **APPL.#17794**
LOCATION: Carteret Boro/Middlesex Cty. **BUSINESS:** Mfr., designer & distributor of displays
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. McNamara **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

BOARD MEMORANDUMS

The next item was the approval of the following projects under Delegated Authority for the month of February 2007: **(For Informational Purposes Only)**

New Jersey Business Growth Fund: AIT Computers, Inc., Bresler Boys, LLC, Schneider and Marquard, Inc., and VMF Holdings, LLC.

PROJECT: Performa Trenton, LLC. **APPL.#16998**
LOCATION: Trenton/Mercer Cty. **BUSINESS:** Provider of event info.
APPROVAL REQUEST: to modify the \$10,000,000 New Markets Tax Credit loan by permitting a deferral of a portion of the Authority's management fee, adjusting project costs, and extending the closing date to April 30, 2009
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Kolluri **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 18
Subject to the applicant must have a commitment for construction financing within 30 days of the Authority/NJ-CDE obtaining a commitment for a New Market Tax Credit tranche and the EDA/NJ-CDE obtaining a commitment from an investor to purchase a portion of our New Market Tax Credit allocation to fund a second tranche loan fund.

AUTHORITY MATTERS

The next item was the approval of a three year contract award for marketing services with a first year budget of \$240,000. The selection committee recommends the marketing services contract be awarded to Fort Productions, Inc. of Waldwick, New Jersey. The firm meets all procurement requirements. RFP and Selection Process followed EDA selection processes and E.O. 37 requirements. The low bid was non-responsive.

MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

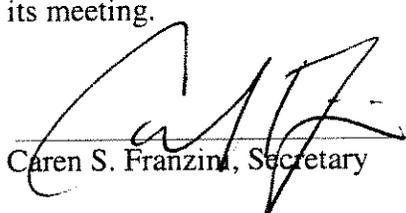
PUBLIC COMMENT

Larry Feignbaum of Hoffman La Roche wanted to thank the EDA for approving their application.

There being no further business on a motion by Mr. McNamara, and seconded by Mr. Latoof, the meeting was adjourned at 11:21a.m.

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.


Caren S. Franzini, Secretary



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 10, 2007

SUBJECT: Chief Executive Officer's Report to the Board

EDISON INNOVATION FUND

EDA Moves Forward with Process for Accessing Stem Cell Research Funds

On December 20, Governor Corzine signed Senate Bill No. 1471, which authorizes the EDA to issue up to \$270 million in bonds to finance capital construction projects for stem cell research. This historic piece of legislation puts New Jersey in the forefront of national efforts to build stem cell, biomedical and cancer research facilities. To ensure that these funds are used in accordance with the legislation and that the resulting facilities have the operational capacity to fulfill their missions, the EDA will institute a two-step application and review process – a pre-application for predevelopment funding to be followed by a final full application for funding. The pre-application will enable the institutions to apply for predevelopment dollars to fund programming and design work. The final application review will include an analysis by our Real Estate Division, as well a review of the institution's operating plan. We have met with representatives of the New Brunswick and Newark projects, the Garden State Cancer Center, and Community Blood Services to gather information and inform them of our process. A meeting with representatives from the Camden project is scheduled later in the month. We anticipate bringing these predevelopment funding projects to the Board beginning with the May meeting. Please see the accompanying article from LifeSciTech magazine that provides an overview of stem cell research.

OTHER

First ERB Town Hall Meeting Scheduled Tomorrow in Camden

The Economic Recovery Board (ERB) for Camden has been asked to participate in the City's three planned town hall meetings, the first of which will be held tomorrow at the Malandra Hall Community Center. The purpose of these meetings will be to provide an overview of activities in the city, discuss and summarize ERB development projects, and offer updates about community services. Acting COO Judge Theodore Z. Davis, Mayor Gwendolyn Faison, City Council President Angel Fuentes and ERB members will be present. City department heads will be available to respond to other Camden issues or comments by residents. Other town hall meetings are scheduled for Thursday, May 10, at the Boys and Girls Club and on Thursday, June 14, at St Anthony of Padua Church. All meetings will run 7-9 p.m.

EDA Collection Efforts Improve During First Quarter of 2006

The work of our Special Loan Management staff to collect on nonperforming loans/guarantees achieved improved results during the first calendar quarter of 2007. Collections for the first calendar quarter this year were almost \$3.5 million, more than three and a half times the \$960,000 collected

during the same period last year. This is great news for the EDA that reflects the successful efforts by our staff to collect on these troubled loans. These repayments will be invested in the revolving loan funds to continue to assist small to mid-size businesses.

EDA, Commerce to Co-Sponsor NJ Pavilion at BIO International Conference

In support of Governor Corzine's Economic Growth Strategy to encourage innovation and the growth of life sciences companies in New Jersey, the EDA and the Commerce, Economic Growth and Tourism Commission will co-sponsor the Biotechnology Council of New Jersey's New Jersey Pavilion at the 2007 BIO International Convention in Boston May 6-9. Leaders of some of the world's top biotechnology companies based in New Jersey will join public officials and other industry representatives in hosting business development meetings with New Jersey Pavilion visitors. BIO brings together more than 1,100 biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and 31 other nations. BIO members are involved in the research and development of health care, agricultural, industrial and environmental biotechnology products.

Waterfront Technology Center Earns Third LEED Gold Rating

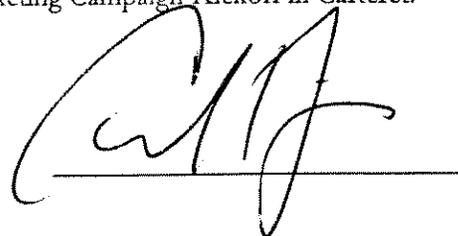
We are pleased to note that the EDA's Waterfront Technology Center at Camden has garnered its third LEED (Leadership in Energy and Environmental Design) certification from the U.S. Green Building Council. The Authority was notified earlier this month that the fourth-floor space occupied by Gestalt LLC and the Rutgers Camden Technology Campus achieved the LEED Gold rating for Commercial Interiors. We had previously been awarded this same designation for the third-floor space occupied by the Applied Communications and Information Networking (ACIN) Center for Entrepreneurship in Technology operated by Drexel University and the Sarnoff Corporation. Last year, the Waterfront Technology Center became the first public project in the state to be certified under the LEED rating system when it was awarded a LEED-CS Gold designation as part of the core and shell pilot program. The U.S. Green Building Council is a Washington, D.C.-based nonprofit coalition of building industry leaders that administers the national rating standards for high-performance, sustainable buildings. "Green" design and construction practices work to reduce or eliminate the negative impact of buildings on the environment and occupants.

EDA Financings:

In March, the EDA closed 17 financings totaling \$28.9 million in assistance that will support the creation of 65 full-time jobs and leverage more than \$35 million in public/private investment in New Jersey. These projects included funding for the City of Trenton, ClassLink, Inc. in Weehawken, and the Joseph P. Hayes Theatre in Beach Haven.

Speaking Engagements:

Throughout the month of February, EDA representatives participated as attendees or speakers at 15 events, including the NJBIZ Real Estate Symposium in Somerset, a Statewide Hispanic Chamber of Commerce of New Jersey meeting in Wood-Ridge, an ACCION New Jersey Business Meeting in Newark, a Puerto Rico Science Research and Technology Trust tour of the Technology Centre of New Jersey in North Brunswick, and a Portfields Marketing Campaign Kickoff in Carteret.



TOMORROW'S

Stem Cells Hold the Spinal Regeneration

BY GENE J. KOPROWSKI

There's nothing mysterious about stem cells. Simply put, stem cells are parent cells that can lead to the creation of other cells. Most commonly, these cells are found in a patient's bone marrow, but they are also found in the blood.

A leukemia patient receives an infusion of stem cells at the Eastern Regional Medical Center, a hospital in Philadelphia, run by Cancer Treatment Centers of America (CTCA). The cells were harvested weeks earlier, from the patient's own blood, before she underwent a round of radiotherapy to combat her cancer. Researchers there are building a new stem cell manufacturing facility at the private hospital which should be online in the next six months.

Medical miracles like this one are happening throughout the country, said Dr. Istvan Redei, director of the stem cell transplantation unit at CTCA, a group of four cancer hospitals located in Philadelphia, suburban Chicago, Seattle, and Tulsa.

Though many in the mainstream media seek to make stem cell research controversial, researchers associated with the Philadelphia-based hospital, and medical research facilities throughout New Jersey, are making advances in the therapy that are saving lives today with the cutting-edge therapy.

There's nothing mysterious about stem cells. Simply put, stem cells are parent cells that can lead to the creation of other cells. Most commonly, these cells are found in a patient's bone marrow, but they are also found in the blood.

PROMISE

Key for Anti-Cancer Therapy, and Heart Repair

Late last year, Gov. Jon S. Corzine signed legislation that may well position New Jersey as a world leader in stem cell research, providing \$270 million in funding to create the New Jersey Stem Cell Research Institute and to fund programs at the Elie Katz Umbilical Cord Blood Program, the New Jersey Institute of Technology, and at Rutgers University in the cutting-edge, disease fighting field.

Scientists are interested in stem cells for the simple reason that they can serve as a sort of "repair system" for the human body. These cells can divide, without limit, and can serve to replenish other cells in a living body. Once a stem cell divides, it can become, for example, a red blood cell, and is thought to boost the immune system of cancer patients.

Privately funded, CTCA researchers are developing a new protocol for stem cell research that will work in conjunction with radiotherapy. "The first patient should be entering the protocol in the next month or so," said Dr. Redei.

Local Stem Cell Trials, Research

Other, local stem cell trials are in development as well. Researchers at the University of Dentistry and Medicine of New Jersey-Robert Wood Johnson Medical School and the Cancer Institute of New Jersey have received funding from the state to examine a number of stem cell issues.

Examples of the projects are as follows:

- One funded project -- led by Debabrata Banerjee, who holds a doctorate and is an associate professor of medicine and pharmacology at UMDNJ -- is studying the migration of stem cells derived from the blood of the human umbilical cord in tumor environments. Banerjee said that currently "little information" exists on the tumor microenvironment, and how stem cells from umbilical cord blood may become effective cellular delivery systems in anti-cancer therapies, like gene therapy.

"Gene delivery to tumor cells has been a challenging problem in experimental therapeutics," said Banerjee. "A better understanding of molecular mechanisms involved in these processes will lead to strategies for improving targeting of tumor sites for therapeutic purposes."

- Another compelling project is being lead by Prof. Randall D. McKinnon in the department of surgery at UMDNJ-Robert Wood Johnson Medical School. This project is focusing on employing stem cells in the maturation of specific brain cell types -- in a culture dish. The cells he is planning to use will come from full-term human placentas, and will not present any of the ethical concerns found with embryonic stem cell research, which has generated much political controversy in Washington D.C.

"Our studies will determine the ability to generate specific cells that produce myelin sheaths to insulate neuronal axons, the cell type which is destroyed by multiple sclerosis," said Dr. McKinnon, noting that other disease research fields which could benefit from this include study of spinal cord injuries, and neurotrauma.

New Jersey's plan is to create an interconnected, statewide network of laboratories and research centers that will attract the brightest scientists.

TOMORROW'S PROMISE

Continued from page 13

• Yet another project being funded by the state is that which is being led by Yufang Shi, a professor of molecular genetics in the department of molecular genetics, microbiology and immunology at the UMDNJ-Robert Wood Johnson Medical School. This project is looking at stem cells grown in the bone marrow — so-called mesenchymal stem cells (MSCs).

"MSCs have a potent effect in decreasing the activity of lymphocytes, which are key cells of the immune system. Lymphocytes are part of a network of cells and proteins that interact and generate the immune responses that fight infections and cancer," said Dr. Shi. "They are also responsible for causing many diseases when the immune system incorrectly targets normal tissues — that is, autoimmune diseases."

Researchers, led by Shi, are hoping to determine the types of interactions that occur between the lymphocytes and the MSCs that cause "immunosuppressant" effects.

Other scientists in New Jersey are looking at the impact of using stem cells in the treatment of heart disease.

Though the media has treated stem cell research as divisive, for some therapies, the technique has been practiced for many years, and has been extensively discussed in the scientific and medical literature.

high doses of chemotherapy, or radiation therapy.

The other type of blood-based transplant is called the allogeneic stem cell transplant. That's when a patient's bone marrow and immune system are replaced with new, healthy bone marrow or peripheral blood stem cells from another person, after pre-transplant therapy.

"Stem cell transplants can be used as part of targeted radiotherapy," said Dr. Redei, who received his medical training in Hungary, and completed his medical residency at New York Medical College.

Dr. Redei and his colleagues will soon be working with their first patient on a new protocol which uses Total Marrow Irradiation (TMI), as opposed to Total Body Irradiation (TBI).

"It's a new therapy that delivers image-guided intensity-modulated radiation therapy for cancer treatment," said Redei. "When you do the TBI, you irradiate the whole body. You irradiate the liver, kidneys, and lungs. You can block, for example, the lungs. You can block the kidneys. But when you start to block more and

THE SCIENCE OF STEM CELLS

CTCA's Dr. Redei, a hematologist and oncologist, is also board certified in internal medicine and a widely published scholar-practitioner, who finished a fellowship in hematology a Temple University and a fellowship in oncology at Fox Chase Cancer Center in Philadelphia.

He noted that CTCA has for several years offered two types of "stem cell transplants." One is called an autologous stem cell transplant, where the patient serves as his or her own donor. Bone marrow or peripheral blood stem cells are taken from the patient — or harvested, frozen until needed — and then given back to the patient, or transplanted, after the patient has received

What Is This All About? A Stem Cell Primer

What are stem cells? A stem cell is an undifferentiated cell found among many differentiated cells in either a tissue or an organ. The cells can differentiate themselves and lead to the specialized types of cells found in organs.

Contrary to media reports, research into stem cells began some four decades ago. During the 1960s, researchers discovered that the bone marrow contains at least two types of stem cells. One group of cells is called hematopoietic stem cells, which helps form all types of cells in the human body. Another population of cells in the bone marrow is called stromal cells, which are a mixed population of cells which generate cartilage, bone, fat, and connective tissue.

Stem cells, scientists now have two major characteristics which distinguish them from other cell types. They are undifferentiated cells which can renew themselves for long periods of time through cell division. What's more, in special biological conditions, stem cells can be induced to become cells with specialized functions, like the cells of the heart or the cells of the pancreas, which produce insulin.

Scientists continue to use stem cells so they can learn more about the essential features. As researchers learn about stem cells, it is expected that cell-based therapies will emerge, as in anti-cancer therapy. There are a number of potential areas of research — including use of stem cells for drug development, treatment of tumors, and other research on stem cells began in earnest with rats, where scientists eyed the dividing cells which occur in the brain. By the late 1990s, science had finally agreed that the brain contains stem cells which generate the three major cell types there — astrocytes, oligodendrocytes, and neurons, or nerve cells. Research on human embryonic stem cells only started in 1998.

Source: Cancer Treatment Centers of America (CTCA), National Institutes of Health (NIH)

Though the media has treated stem cell research as divisive, for some therapies, the technique has been practiced for many years, and has been extensively discussed in the scientific and medical literature.

more organs you get more and more problems with the treatment. So certain diseases, like multiple myeloma, leukemia, mainly occupy the bone marrow space. With this therapy, you can map the bone marrow space which is inside the bones. Basically, you can map the skeleton and deliver targeted radiation therapy. When you use a TBI dose, like

1200 Centigrade, the vital organs only get a quarter of the radiation. But your bone marrow gets the full radiation.

"How does this differ from TMI? What potentially can be done is to escalate the dose of radiation from 1200 Centigrade to 2000 Centigrade. Why is this important? There is data, from several years ago, from Seattle, that indicates that when you compare a patient population with a higher dosage, with patients who have leukemia, for example, that have an opportunity to increase the tumor killing effect in the bone marrow without increasing the side effects."

Dr. Redei said this is a very promising approach. "We are going to start with multiple myeloma patients. Probably, the first patient will enter the protocol in the next month or so," said Dr. Redei.

Legislation signed late last year by Gov. Corzine will ensure that even more protocols are undertaken with stem cell-related technology here in New Jersey in the coming years. Of the \$270 million budgeted by the state, approximately \$150 million will be used to build a Stem Cell Institute in New Brunswick; another \$50 million will be slated for building stem cell research facilities at the New Jersey Institute of Technology; another \$50 million will be for a biomedical research center in Camden, operated by Rutgers, the Cancer Institute of New Jersey, and the Coriell Institute for Medical Research; another \$10 million will go to the Garden State Cancer Center in Belleville; and the last round of \$10 million will go to support umbilical cord stem cell research at the Eli Katz Umbilical Cord Blood Program in Allendale.

The idea is to create an interconnected, statewide network of laboratories and research centers that will attract the brightest scientists. New Jersey's initiative may then stand as a beacon of hope for patients.

"Stem cell research has the potential to save and extend lives and lead to cures that have proven beyond our grasp," said Gov. Corzine, on the day he signed the bill, authorizing the funding, in December 2006.

Gene J. Koprowski is the director of research communications at Cancer Treatment Centers of America. For more information, visit www.cancercenter.com.

**SUMMARY OF PROJECT REQUESTS
APRIL 10, 2007**

	NJ URBAN FUND	EDISON INNOVATION FUND	CORE: BUSINESS/NON- PROFIT FINANCING
<u>BOND PROJECTS</u>			
Bond Resolutions			
385 Hillside Avenue Realty, LLC	1,550,000		
Community Options, Inc.			5,350,000
Jewish Renaissance Medical Center, Inc.	7,500,000		
Newark Downtown Dist. Management Corp.	10,000,000		
Combination Approvals			
Pingry Corporation			8,000,000
V-2 Holdings, LLC			2,100,000
Polymer Dynamix, LLC			1,300,000
Preliminary Approvals			
Community YMCA			2,333,000
Lutheran Social Ministries at Cranes Mill			35,500,000
Visiting Nurse Association of Northern NJ			4,070,000
Bonds with Authority Exposure			
825 Lehigh Realty LLC			2,400,000
<u>LOANS/GRANTS/GUARANTEES</u>			
Direct			
825 Lehigh Realty LLC			480,000
Loan Guarantee			
Jersey Shore Films, LLC/Film gte			255,000
Statewide Loan Pool			
S.A.L. Property Management, LLC/part.			554,850
LDFP			
Beau Label, LLC	565,750		
BHAGU, Inc./part.	500,000		
Journal Square Properties, LLC	1,600,000		
New Markets Tax Credits			
Journal Square Properties, LLC	4,200,000		
Film Tax Credit			
A.M.Y.S. Films, LLC			262,400
Bling Productions, Inc.			297,284
PUST Loans/Grants/Municipal			
- Delegated Authority Total - 51 Projects			277,526
HDSRF Loans/Grants/Municipal			
- Delegated Authority Total - 4 Projects			171,030
City of Estell Manor (Landfill)			244,848
Township of Mount Holly (Ankokas)	477,309		
City of Paterson (Columbia Textile)			122,012

**SUMMARY OF PROJECT REQUESTS
APRIL 10, 2007**

EDISON INNOVATION FUND

Direct Funding

Chromis Fiberoptics, Inc.
IntegriChain, Inc.

BEIP

Barr Laboratories, Inc.
Franklin Electric Company
Hycrete, Inc.
incNetworks, Inc.
Lodi CML Cooperative LLC
Octapharma USA, Inc.

BOARD MEMOS

Delegated Authority

NJ Business Growth Fund
500 South Kings Highway LLC
CAP Services Inc
KMPC, Inc.
New Swat, Inc.
Recycle Inc., East
Skyview Farms, LLC

Preferred Lender Program

Jersey Partners, LLC/part.

Edison Innovation Fund Program

Innovation Engineering, Inc.

Total Assistance for the Month

of Projects in the Month

Total Assistance for 2007

of Projects in 2007

	NJ URBAN FUND	EDISON INNOVATION FUND	CORE: BUSINESS/NON- PROFIT FINANCING
		1,000,000	
		1,000,000	
		3,755,850	424,508
		850,300	
		2,376,975	
	149,561	517,500	
			218,750
	61,532		
	150,000		
	42,500		673,750
			36,952
			680,000
		200,000	
	26,796,652	9,700,625	65,751,910
	12	7	76
	178,293,740	16,902,203	189,626,891
	57	12	223



MEMORANDUM

TO: Directors of the Corporation

FROM: Larry Hanover
Public Information Officer

DATE: March 15, 2007

SUBJECT: New Jersey Schools Construction Corporation (SCC)
February Progress Report

Introduction

In February, SCC Chairman Barry Zubrow and CEO Scott Weiner testified before the Joint Committee on the Public Schools. They updated state lawmakers on the status of reform efforts, discussing an overhauled project cycle that includes use of the new prioritization methodology to focus on educational and other critical needs. The presentation also pointed out that SCC management has undergone an almost complete turnover and that cost recovery efforts are under way. The chairman and CEO reiterated the need for action on the authorization of new funding and changes to the school construction legislation.

The SCC filed its first claim seeking to recover costs stemming from delays in completing a project. The SCC sent notice to Hunt Construction Corporation, of Princeton, on February 7 assessing \$749,000 for failure to complete Newark's Science Park High School in the time frame required under contract.

The SCC launched its On-Call Demolition Program to create a pool of bidders to accelerate the process of demolishing buildings on its vacant properties. In a related move, the SCC and Essex County Prosecutor's Office announced "Operation Red Cap," a public safety initiative targeting abandoned buildings in Irvington that are slated for demolition.

Beth Sztuk, SCC Senior Director of Management and Planning, joined Elizabeth district officials at the formal dedication of Ronald Reagan Academy, which opened to students last September. The district also dedicated the school's media center to six Elizabeth residents who died September 11, 2001 at the World Trade Center.

Keansburg and SCC officials celebrated the start of demolition work to raze a former bus depot in preparation for construction of Lorraine Place Elementary School.

Construction Update

Construction Status

From its inception in 2002 through February 28, 2007, the SCC has completed 30 new schools and 26 major additions/renovations. There are currently 32 projects under construction.

Construction Starts

As of February 28, 2007, the SCC has entered into construction contracts that total \$2,961,451,710 since its inception in 2002.

Contractor Procurement

Construction bids were advertised in February for an expedited demolition contract and school projects in Jersey City and Newark. (Exhibit A)

School District Grants

From its inception in 2002 through February 28, 2007, the SCC has executed 2,560 Section 15 grant agreements in all 21 counties with districts that receive less than 55% of their budget in state aid. To date, 1,430 schools in 473 districts have been impacted by the Section 15 grant program. Total project costs amount to \$7,114,061,217 for which the state share totals \$2,207,317,949.

Conferences/Presentations

Joint Committee on the Public Schools, 2/6/07, Trenton
NJ Association of Business Women Owners Procurement Fair, 2/8/07, Edison
Start of demolition work for Lorraine Place School, 2/22/07, Keansburg
NJ Chapter of National Association of Minority Contractors, 2/22/07, Camden
Dedication of Ronald Reagan Academy, 2/26/07, Elizabeth

Larry Hanover



AUTHORITY MATTERS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 10, 2007

SUBJECT: 2006 Comprehensive Annual Report

Request:

The Members of the Board are requested to approve the New Jersey Economic Development Authority's comprehensive Annual Report for 2006, as required under Executive Order No. 37.

Background:

Each year, as directed by its enabling legislation, the Authority designs and distributes its Annual Report of accomplishments. This year, the Authority's 2006 Annual Report will also serve as the comprehensive Annual Report of the Authority's operations pursuant to Executive Order No. 37. This report provides an overview of the Authority's activity for calendar year 2006 and describes progress made by the Authority in advancing Governor Jon S. Corzine's Economic Growth Strategy. It also includes the audited financial statements for the year ended December 31, 2006, prepared pursuant to Generally Accepted Accounting Principles for a governmental entity. Pursuant to Executive Order No. 122, the Audit Committee reviewed and accepted the audited financial statements at its meeting on March 22, 2007.

Under Executive Order No. 37, the Authority is required to obtain approval of the comprehensive Annual Report from its Board of Directors, after which it is to be submitted to the Governor's Authorities Unit. Following submission, the Authority is then required to post the document on its website.

It should also be noted that this is the first year in several decades that the Authority has produced its Annual Report utilizing in-house staff capabilities, rather than outsourcing the design and production process. In addition to submitting the comprehensive Annual Report to the Governor's Authorities Unit and posting it on the Authority's website, the EDA will also be notifying the Legislature and business and community development leaders of the report electronically, rather than in hardcopy, as has been the past practice.

Recommendation:

Authority staff has prepared the comprehensive Annual Report as required under Executive Order No. 37, and recommends Members' approval in order to submit the report to the Governor's Authorities' Unit and post on the Authority's website.

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and appears to be 'C. J. F.' or similar.

Prepared by: Nicole Royle



BOND RESOLUTIONS

FINANCING SUMMARY:

BOND PURCHASER: Wachovia Bank, N.A. (Placement Agent)
AMOUNT OF BOND: \$5,350,000 (Tax-Exempt)
TERMS OF BOND: 20 years; variable tax-exempt interest rate, reset weekly. Variable tax-exempt interest rate as of April 2, 2007 would be approximately 3.63%.
ENHANCEMENT: (L/C - Wachovia Bank, N.A. - 2.0 Yr.)

PROJECT COSTS:

Refinancing	\$2,700,000
Acquisition of existing building	\$2,050,000
Renovation of existing building	\$250,000
Purchase of equipment & machinery	\$150,000
Finance fees	\$100,000
Legal fees	\$75,000
Accounting fees	\$25,000
TOTAL COSTS	\$5,350,000

JOBS: At Application 69 Within 2 years 17 Maintained 0 Construction 8

PUBLIC HEARING: 04/10/07 (Published 03/27/07) **BOND COUNSEL:** Obermayer, Rebmann, Maxwell &
DEVELOPMENT OFFICER: L. Wallick **APPROVAL OFFICER:** K. DeLuca

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Edward Koplowitz and David Koplowitz and Perth Amboy Tire Inc. P17915

PROJECT USER(S): Perth Amboy Tire Inc. *

* - indicates relation to applicant

PROJECT LOCATION: 449 Blair Road

Woodbridge Township (T/UA)

Middlesex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Edward Koplowitz and David Koplowitz and Perth Amboy Tire Inc. ("Applicant") are co-applicants. Perth Amboy Tire Inc. ("Company") established its business in 1962 as a Firestone passenger tire dealership. The company's site is primarily used to retread tires. In addition, the company offers auto service and a complete line of quality tires. The Company is currently located in a 39,000 sf facility in Perth Amboy and is looking to move to a 67,000 sf facility on 6.1 acres of land in Woodbridge Township.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to acquire an existing 67,000 sf facility on 6.1 acres of land, perform necessary renovations, purchase machinery and equipment, as well as paying for costs of issuance, in order to expand its current tire retreading operations. The difference between the project costs and the bond will be funded with applicant equity and a LDFP loan provided by the Authority under P#17908 in the amount of \$750,000, which was approved by the Board at the February 13, 2007 meeting.

FINANCING SUMMARY:

BOND PURCHASER: North Fork Bank (Direct Purchase)

AMOUNT OF BOND: \$2,800,000 Tax-Exempt Bond

TERMS OF BOND: 20 years; Fixed rate of interest for 10 years based on the tax-exempt equivalent of the average weekly yield on 10 year US Treasury Securities plus 200 bps adjusted to constant maturity of 10 years. Rate reset at the end of year 10 at the same formula. Call option at year 10. Indicative rate as of 1/19/07 is 4.36%.

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$4,350,000
Renovation of existing building	\$750,000
Purchase of equipment & machinery	\$250,000
Legal fees	\$20,000
Finance fees	\$20,000
Accounting fees	\$20,000
TOTAL COSTS	\$5,410,000

JOBS: At Application 32 Within 2 years 20 Maintained 0 Construction 23

PUBLIC HEARING: 01/09/07 (Published 12/26/06) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: M. Piliere

APPROVAL OFFICER: L. Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Jewish Renaissance Medical Center, Inc.

P17916

PROJECT USER(S): Jewish Renaissance Medical Center, Inc.
To be Determined

* - indicates relation to applicant

PROJECT LOCATION: 275 Hobart Street

Perth Amboy (T/UA)

Middlesex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Jewish Renaissance Medical Center, Inc. (JRMC) is a non-profit, 501(c)(3) health care organization that provides medical and mental health care services to residents of Perth Amboy and nearby communities without regard to race, religion, or capacity to pay. JRMC was started in December, 2001 by the Jewish Renaissance Foundation (Foundation), a non-profit, non-sectarian, service organization also based in Perth Amboy. JRMC is a Faith-Based Federally Qualified Health Care Center, independent of the Foundation, having distinct management, operations, staff, and board members. JRMC's revenues are derived principally from New Jersey Charity Care, Medicare, and Medicaid. The majority of patients are children and their mothers. In addition, the organization provides in-school medical care for students in the Perth Amboy and Newark Public School systems.

JRMC acquired a 3 story, approximately 50,000 square foot commercial building in 2003. The plan is for the building to be predominately owner-occupied, but also leased to three unrelated tenants, a pharmacy, a vision services company, and a medical testing lab. The expansion will allow JRMC to increase care giving and also offer dental care.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable JRMC to obtain permanent financing for the new building, currently financed with an interim loan (line of credit from Provident Bank), make renovations and purchase equipment in order to relocate and expand their medical care facilities in Perth Amboy. JRMC will employ approximately 58 employees after completion of the medical facilities. Proceeds from the tax-exempt bond will be used to fund that portion of the project allocable to the space occupied by JRMC.

JRMC was approved for a \$2,000,000 LDFF loan at the March 13, 2007 Board Meeting. The difference between the maximum amount of the bonds and total project costs will be funded by EDA's Local Development Financing Fund (LDFF), New Jersey Community Capital (NJCC), HUD/Other Federal Grants, UEZ Grant/New Jersey Redevelopment Agency (NJRA), and applicant's equity.

FINANCING SUMMARY:

BOND PURCHASER: Provident Bank (Direct Purchase)

AMOUNT OF BOND: \$7,500,000 (Max) (Tax-Exempt)

TERMS OF BOND: 25 years maximum; 10 year and 20 year call option; fixed for first 10 years at the tax free equivalent of the 10 year Treasury plus 180 basis points. Estimated initial fixed tax-exempt rate as of 3/13/2007 is 4.5%. Interest rate re-adjusted at the 10th and 20th year based upon the same index.

ENHANCEMENT: N/A

PROJECT COSTS:

Renovation of existing building	\$7,086,000
Refinancing of Existing Building	\$2,100,000
Purchase of equipment & machinery	\$1,601,000
Working capital	\$887,000
Interest during construction	\$800,000
Engineering & architectural fees	\$780,000
Appraisal, Title Ins, Prop Taxes, Consultin	\$222,000
Legal fees	\$168,000
Finance fees	\$87,000
Environmental	\$35,000
	\$13,766,000
TOTAL COSTS	\$13,766,000

JOBS: At Application 21 Within 2 years 37 Maintained 0 Construction 213

PUBLIC HEARING: 03/13/07 (Published 02/26/07) **BOND COUNSEL:** McManimon & Scotland
DEVELOPMENT OFFICER: R. Fischer **APPROVAL OFFICER:** K. DeLuca

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Newark Downtown District Management Corporation

P17841

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 15 Clinton Street

Newark City (T/UA)

Essex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The Newark Downtown District Management Corporation (NDD) was established by an ordinance passed in September, 1998 by the Newark Municipal Council to revitalize downtown Newark by improving the economic viability of the central business district and enhancing the quality of life for residents, workers, students and visitors through supplemental services, marketing and physical improvement programs.

The NDD Streetscape Improvement Project will change the appearance and perceived attractiveness of downtown Newark for every single block within the district, rather than a few well-traveled arteries. The NDD project will include decorative street lighting, enhanced corner sidewalk treatments, granite curbing, large and visible street signs, street trees, planter boxes and plantings, tree pits and news racks for local/regional daily newspapers and free weekly papers. Nutria Alley would also be established to create a vibrant, open-air marketplace, as well as relocating existing street vendors. Vendors will be provided with new, fixed carts that will make the marketplace attractive and orderly. Construction is scheduled to begin in Spring 2007.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the applicant to finance the new Streetscape and other improvements to the properties in the Newark Downtown District which is located in the heart of the City of Newark. By improving the visual appeal of the District, new tenants can be attracted, and existing tenants will be encouraged to remain. A more attractive downtown area will create more demand for office space, generating higher rental rates for property owners. Over time, the demand for rental space in the District will create higher values for the District's properties, eventually leading to higher tax revenue for the City. Special Improvement District (SID) assessments are collected from the property owners in the Newark Downtown District by the municipal government of Newark and disbursed to NDD. These SID assessments will be used to pay debt service on the bonds. Six new jobs are anticipated for project management and maintenance.

The bonds will have a 32.5 year maximum term and the maximum fixed true tax-exempt interest rate will not exceed 7%. The expected Moody's rating is Baa2. There will be no credit enhancement. The difference between the maximum amount of the bonds and total project costs will be funded by UEZ Funds and City of Newark In-Kind Payments through PSE&G (providing lamp posts, etc).

FINANCING SUMMARY:

BOND PURCHASER: Wachovia Bank (Underwriter)
AMOUNT OF BOND: \$10,000,000 (Tax-Exempt)
TERMS OF BOND: 32.5 years maximum; Fixed true tax-exempt rate not to exceed 7%.
 Expected bond rating is Baa2 from Moody's Investors Service.
 Anticipated fixed tax-exempt rate as of April 2, 2007 is approximately 5.25%.
ENHANCEMENT: N/A

PROJECT COSTS:

Site Improvements	\$15,906,000
Debt service reserve fund	\$700,000
Capitalized Interest	\$694,000
Finance fees	\$100,000
Legal fees	\$75,000
Ratings	\$15,000
Accounting fees	\$10,000
TOTAL COSTS	\$17,500,000

JOBS: At Application 18 Within 2 years 6 Maintained 0 Construction 477

PUBLIC HEARING: 03/13/07 (Published 02/26/07) **BOND COUNSEL:** McCarter & English
DEVELOPMENT OFFICER: M. Piliere **APPROVAL OFFICER:** K. DeLuca

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - REFUNDING BOND PROGRAM**

APPLICANT: Three Woodbury Mews, LLC & Four Woodbury Mews, LLC P16535

PROJECT USER(S): Same as applicant * - indicates relation to applicant

PROJECT LOCATION: 122 / 124 Green Avenue Woodbury City (T/UA) Gloucester County

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Three Woodbury Mews, LLC and Four Woodbury Mews, LLC (the "Borrowers") were formed in 1999 to own the independent living facility and assisted living facilities constructed with Authority assistance and completed in 2001. The managing member of the limited liability companies, Three Woodbury Mews General Manager, LLC and Four Woodbury Mews General Manager, LLC is comprised of Stuart D. Mills, Glenn Kaplan and Garry Hoffarth who together have over 35 years in the development and management of senior housing and the health care business.

Authority assistance, via tax-exempt and taxable bonds, in the aggregate amount of \$27,990,000, enabled the Borrowers in 2001 to acquire land, construct and equip a 98 unit assisted living facility on 1.85 acres known as The Gardens & Courtyards at Woodbury Mews and owned by Three Woodbury Mews, LLC and a 130 unit independent living facility on 2.26 acres known as The Crossings at Woodbury Mews and owned by Four Woodbury Mews, LLC. The occupancy rate at the Crossing independent living facility is currently at 90% and at the Gardens assisted living facility at 95%. The facilities are currently managed by the Senior Management, LLC, a wholly owned company of the Kaplan Development Group, LLC, a company that has extensive experience in the development, planning, design, construction oversight and management of new independent senior living facilities. The principal of Kaplan Development is Glenn Kaplan. Mr. Kaplan has been involved in senior housing since 1972 and has extensive experience and knowledge of the industry.

The 2001 bond financing consisting of \$21,125,000 Series A tax exempt bonds, \$2,955,000 Series B taxable bonds and \$3,910,000 Series C Subordinate tax-exempt bonds, were underwritten by the GMS group, LLC for maximum term of 30 years; the Series A and Series B Bonds at a variable interest rate (current rate % tax exempt and % taxable); and the Series C Bonds at a fixed rate of 11%. The Series A and B Bonds are secured by a letter of credit provided by The Bank of America (successor to Fleet Bank) initially for five years (to May 1, 2006), with extensions to 2/9/2007.

This project qualified for tax-exempt bond financing as an Exempt Facility - Qualified Residential Rental Project under Sections 142 (d) and 142 (a) (7) of the Internal Revenue code of 1986 as amended. The applicant will set aside 20% of the units in the project to individuals whose income does not exceed 50% of area median gross income. The project is in compliance with the set aside requirements.

REFUNDING REQUEST:

Authority assistance will enable the Applicant to current refund the principal amount of the 2001 Bonds, fund a debt service reserve fund, and pay costs of issuance in an estimated amount of \$32 million, to be underwritten by Prager Sealy & Co.

This application is linked to Appl. P16534 in the estimated amount of \$12 million for the refinancing of prior debt, reimbursement for cost overruns on the projects, funding of a debt service reserve fund and costs of issuance.

This application is being presented at the April 10, 2007 meeting for a re-authorization of the approximately \$17 million of tax exempt project costs, combined with Application P16534, to be funded from 2004 Carryforward Bond Allocation. The project received final Board approval on January 9, 2007. As the 2007 bonds are being marketed and sold to sophisticated, institutional investors only, more time is needed to close.

FINANCING SUMMARY:

BOND PURCHASER: Prager, Sealy & Co., LLC (Underwriter)

<p>AMOUNT OF BOND: \$29,000,000 (Est.) Series A (Tax-exempt) (Part of estimated \$44 million tax exempt and taxable bond issue with P16534)</p>	<p>\$3,000,000 (Est.) Series B (Taxable) (Part of estimated \$44 million tax-exempt and taxable bond issue with P16534)</p>
<p>TERMS OF BOND: 35 years (max.); Interest only first 2 years; Fixed interest rate not to exceed 6.5% (Estimated rate as of 03/38/07 is 6.125%).</p>	<p>35 years (max.); Interest only first 2 years; Fixed interest rate not to exceed 8.5% (Estimated rate 7.75% as of 12/19/06)</p>

ENHANCEMENT: N/A

PROJECT COSTS:

Principal amount of bond to be refunded	\$26,990,000
Debt service reserve fund	\$2,925,000
Contingency	\$1,055,997
Finance fees	\$514,250
Legal fees	\$287,500
accrued interest	\$227,253
TOTAL COSTS	\$32,000,000

PUBLIC HEARING: 01/09/07 (Published 12/26/06) **BOND COUNSEL:** Wolff & Samson

APPROVAL OFFICER: T. Wells

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Three Woodbury Mews, LLC & Four Woodbury Mews, LLC P16534

PROJECT USER(S): Same as applicant * - indicates relation to applicant.

PROJECT LOCATION: 122 / 124 Green Avenue Woodbury City (T/UA) Gloucester County

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Three Woodbury Mews, LLC and Four Woodbury Mews, LLC (the "Borrowers") were formed in 1999 to own the independent living facility and assisted living facilities constructed with Authority assistance and completed in 2001. The managing member of the limited liability companies, Three Woodbury Mews General Manager, LLC and Four Woodbury Mews General Manager, LLC is comprised of Stuart D. Mills, Glenn Kaplan and Garry Hoffarth who together have over 35 years in the development and management of senior housing and the health care business.

Authority assistance, via tax-exempt and taxable bonds, in the aggregate amount of \$27,990,000, enabled the Borrowers in 2001 to acquire land, construct and equip a 98 unit assisted living facility on 1.85 acres known as The Gardens & Courtyards at Woodbury Mews and owned by Three Woodbury Mews, LLC and an 130 unit independent living facility on 2.26 acres known as The Crossings at Woodbury Mews and owned by Four Woodbury Mews LLC. The occupancy rate at the Crossing independent living facility is currently at 90% and at the Gardens assisted living facility at 95%. The facilities are currently managed by the Senior Management, LLC, a wholly owned company of the Kaplan Development Group, LLC, a company that has extensive experience in the development, planning, design, construction oversight and management of new independent senior living facilities. The principal of Kaplan Development is Glenn Kaplan. Mr. Kaplan has been involved in senior housing since 1972 and has extensive experience and knowledge of the industry.

The 2001 bond financing consisting of \$21,125,000 Series A tax exempt bonds, \$2,955,000 Series B taxable bonds and \$3,910,000 Series C Subordinated tax-exempt bonds, were underwritten by the GMS group, LLC for maximum term of 30 years; the Series A and Series B Bonds at a variable interest rate (current rate 3.51% tax exempt and 5.67% taxable); and the Series C Bonds at a fixed rate of 11%. The Series A and B Bonds are secured by a letter of credit provided by The Bank of America (successor to Fleet Bank) initially for five years (to May 1, 2006), with extensions to 2/9/2007.

This project qualified for tax-exempt bond financing as an Exempt Facility - Qualified Residential Rental Project under Sections 142 (d) and 142 (a) (7) of the Internal Revenue code of 1986 as amended. The applicant will set aside 20% of the units in the project to individuals whose income does not exceed 50% of area median gross income. The project is in compliance with the set aside requirements.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to refinance existing debt to: (1) University of Medicine and Dentistry of New Jersey, who has a 20% interest in the Applicant and was a source of funding for the original financing; (2) Sovereign Bank working capital loan, (3) ISD, LLC, developer of the facilities for development fees, (4) Bank of America Loan and letter of credit fees from the 2001 Bonds, (5) repay owners loan for operating costs and interest payments to lenders, and (6) fund a debt service reserve fund and pay certain costs of issuance, in the estimated amount of \$12 million.

This application is linked to Application P16535 in the amount not to exceed \$32 million to refund the outstanding principal amount of the 2001 Bonds, fund a debt service reserve fund and to pay costs of issuance associated with the refunding bonds.

This application is being presented at the April 10, 2007 meeting for a re-authorization of the approximately \$17 million of tax exempt project costs, combined with Application P16535, to be funded from 2004 Carryforward Bond Allocation. The project received final Board approval on January 9, 2007. As the 2007 bonds are being marketed and sold to sophisticated, institutional investors only, more time is needed to close.

FINANCING SUMMARY:

BOND PURCHASER: Prager Sealy & Co., LLC (Underwriter)

AMOUNT OF BOND: \$11,000,000 (Est.) Series A (Tax-exempt) (Part of estimated \$44 million tax- exempt and taxable bond issue with P16535)

\$1,000,000 (est.) Series B (Taxable) (Part of estimated \$44 million tax-exempt and taxable bond issue with P16535)
35 years (max.) Interest only first 2 years; Fixed interest rate not to exceed 8.5% (Estimated rate 7.75% as of 12/19/06)

TERMS OF BOND: 35 years (maximum); Interest only first 2 years; Fixed interest rate not to exceed 6.5% tax exempt (Estimated rate as of 12/19/06 is 5.75%.)

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$11,000,000
Finance fees	\$514,250
Legal fees	\$287,500
Contingency	\$198,250
TOTAL COSTS	<u><u>\$12,000,000</u></u>

JOBS: At Application 76 Within 2 years 10 Maintained 0 Construction 0

PUBLIC HEARING: 01/09/07 (Published 12/26/06) **BOND COUNSEL:** Wolff & Samson

APPROVAL OFFICER: T. Wells

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: The Pingry Corporation

P18173

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Martinsville Road

Bernards Township (N)

Somerset

GOVERNOR'S INITIATIVES:

NJ Urban Fund

Edison Innovation Fund

Core

Ready for Growth

APPLICANT BACKGROUND:

The Pingry School was founded in 1861 by Dr. John Pingry and was later incorporated as the Pingry Corporation on May 15, 1962. The Pingry School is an independent, college preparatory day school for students in kindergarten through twelfth grade. The school currently operates two campuses in New Jersey, Short Hills (lower school, approximately 300 students) and Martinsville, in Bernards Township, (middle and upper schools, approximately 700 students). Pingry draws students of varied talents and diverse backgrounds from many communities in the central New Jersey region.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable The Pingry Corporation to utilize tax-exempt bonds to obtain permanent financing for the new middle school. The new middle school is a 30,000 square foot, two story building consisting of 18 classrooms, 4 science labs, a common space for students to meet during the day, and administrative offices. The building is separate, distinct and adjacent, but also connected to the existing upper school building so middle school students can share the art, drama, music, auditorium, theatre, dining hall, and athletic facilities with upper school students. The difference between the maximum amount of the bonds and total project costs will be funded by applicant's equity.

FINANCING SUMMARY:

BOND PURCHASER: Roosevelt & Cross, Inc. (Private Placement)

AMOUNT OF BOND: \$8,000,000 (Tax-Exempt)

TERMS OF BOND: 32 years maximum; Fixed tax-exempt rate estimated at 5% based on Bond Buyer 40 Index between 4.45% and 4.75%. If the Index goes above 4.75% the interest rate will be increased by the amount above 4.75% rounded to the nearest 0.05%. If the Index goes below 4.45%, the interest rates will be decreased by the amount below 4.45% rounded to the nearest 0.05%. The bond will be interest only for first year and a half.

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing of Existing Building	\$7,750,000
Legal fees	\$163,000
Finance fees	\$122,600
Closing Costs-Real Estate	\$54,400
TOTAL COSTS	\$8,090,000

JOBS: At Application 161 Within 2 years 5 Maintained 0 Construction 0

PUBLIC HEARING: 04/10/07 (Published 03/22/07) **BOND COUNSEL:** McCarter & English

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: K. DeLuca

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: V-4 Holdings, LLC

P18144

PROJECT USER(S): Technick Products, Inc *
Polymer Dynamix, LLC *
Klean Max, LLC *

* - indicates relation to applicant

PROJECT LOCATION: 238 St. Nicholas Avenue South Plainfield Borough (N) Middlesex

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

V-4 Holdings, LLC (V-4) is a real estate holding company established in 1998 to own the current Rahway facility, and upon its sale to own the new project site in South Plainfield. The property will be occupied by Polymer Dynamix, LLC (Polymer) , Technick Products, Inc. (Technick), and Klean Max, LLC (Klean). All four companies share common ownership. Polymer, established in 1999 as a spin off from Technick, formulates additive concentrates and materials for the thermoplastics market, with its customer base in the textile, automotive and packaging industries. Technick, established in 1985, develops additives for the plastics and rubber industry, with the goal of making products faster with less friction while enabling the molds used in production to stay cleaner longer. Other products include external release agents to prevent plastic from sticking to metal, such as Pam cooking spray. Klean Max, established 1999, formulates detergents and mold treatment products specific to the sneaker market, with all sales to overseas companies, most related to Nike.

APPROVAL REQUEST:

Authority assistance will enable the applicant to purchase a 30,000 s.f. manufacturing facility on 1.59 acres in South Plainfield. The new space will be occupied by Polymer Dynamix, LLC, Technick Products and Klean Max, LLC, all related companies. Polymer will be creating 12 new jobs and Technick will be creating 6 new jobs, for a total of 18 new jobs.

The applicant is seeking to defer capital gains tax on the sale of its existing Rahway (relinquished) property based on a reverse like-kind property exchange, acquiring the South Plainfield site (replacement), under Section 1031 of the Internal Revenue Code (IRC) and Revenue Procedure 2000-37. It does not appear at time of closing on the South Plainfield property, the Rahway site will have been sold. The IRC requires the property to transfer title within 180 days of the sale of the relinquished property to benefit from the tax gain deferral. As V-4 is buying a property before they have sold their existing property, Investment Property Exchange Services, Inc (IPX1031), a company that specializes in tax deferral exchange solutions will act as a conduit and acquire the title to the South Plainfield property which will be held in a special purpose company. When V-4 sells the relinquished property the replacement property is then exchanged in completion of the exchange. Therefore, the special purpose company will hold title to the project site with a triple net lease with our applicant for a temporary period (up to 180 days). The proposed structure has been reviewed by bond counsel.

FINANCING SUMMARY:

BOND PURCHASER: Bank of America, N.A. (Direct Purchase)
AMOUNT OF BOND: \$2,100,000 (Tax-Exempt Bond)
TERMS OF BOND: 20 years; fixed rate for 10 years or 15 years (at the borrowers option) at the tax-exempt equivalent of 1.5% above the like Treasury index. Interest rate will be reset after initial fixed rate term at the same index. Indicative rate of 4% as of March 28, 2007.
ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$2,883,155
Renovation of existing building	\$425,595
Legal fees	\$25,000
Finance fees	\$25,000
TOTAL COSTS	\$3,358,750

JOBS: At Application 14 Within 2 years 18 Maintained 0 Construction 13

PUBLIC HEARING: 04/10/07 (Published 03/27/07) **BOND COUNSEL:** Wolff & Samson
DEVELOPMENT OFFICER: R. Fischer **APPROVAL OFFICER:** M. Krug

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Polymer Dynamix, LLC

P18146

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 238 St. Nicholas Avenue

South Plainfield Borough (N)

Middlesex

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Polymer Dynamix, LLC (Dynamix), formed in 1999 as a spin-off from Technick Products, creates custom formulated additive concentrates and materials for the thermoplastics market. Dynamix's focus is creating materials based on customer specific requirements. One of the product's developed is a lightweight, insulative plastic resin used as a lightening rod on airplanes that performs better than a metal lightening rod.

APPROVAL REQUEST:

Authority assistance will enable the applicant to acquire new production equipment. Up to now, Dynamix has utilized contract manufacturing to meet customer demand. With the recent addition of several new accounts, Dynamix has had to turn away certain pieces of business because it cannot provide its own manufacturing. Acquisition of this new equipment will enable Dynamix to expand its operations and grow its product offerings.

FINANCING SUMMARY:

BOND PURCHASER: Bank of America, N.A. (Direct Purchase)

AMOUNT OF BOND: \$1,300,000 (tax-Exempt Bond)

TERMS OF BOND: 10 year; fixed rate at the tax-exempt equivalent of 1.5% above the 10 year Treasury index. Indicative rate of 4% as of March 28, 2007.

ENHANCEMENT: N/A

PROJECT COSTS:

Purchase of equipment & machinery	\$1,300,000
Legal fees	\$25,000
Finance fees	\$25,000
TOTAL COSTS	\$1,350,000

JOBS: At Application 6 Within 2 years 12 Maintained 0 Construction 0

PUBLIC HEARING: 04/10/07 (Published 03/27/07) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: M. Krug

PRELIMINARY RESOLUTIONS

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: The Community YMCA

P18112

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Various

Single County - Multi City (N)

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

The Community YMCA, a 501(c)(3) not-for-profit entity, was established in 1875 to build strong kids, strong families, and strong communities through programs committed to improving an individual's spirit, mind and body. The Community YMCA offers programs and services in the following areas: Family health & fitness, before and after school programs, weekend and summer programs in the visual and performing arts, summer day camps, year round recreation and sports programs, academic pre-schools and counseling & social services.

The Applicant received Authority assistance of \$1.5 million in 1991 to refinance conventional debt that financed the acquisition of the Red Bank facility and a working capital loan. The 1991 tax exempt bond financing was part of a composite bond issuance with Banque National de Paris as the letter of credit provider. The interest rate was fixed at 6.9% for 20 years and was further secured with a 90% EDA guarantee for 20 years. The applicant has also submitted an application (#P18168) to refund the outstanding balance of the prior bonds of \$575,000 plus accrued interest and costs of issuance.

The applicant is a 501(c)(3), not-for-profit entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code, as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to (i) refinance two conventional loans with Amboy National Bank in the outstanding amount of \$2,035,000 (construction loans of originally \$1.5 million at 7% due June 2011 and \$635,000 at 9.25% due May 2007) and (ii) refinance approx. \$213,000 Two River Community Bank loan (originally \$1.4 million at 6.5% due October 2020 to fund building improvements at a summer camp).

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$2,248,000
Finance fees	\$45,000
Legal fees	\$40,000
TOTAL COSTS	\$2,333,000

JOBS: At Application 15 Within 2 years 8 Maintained 0 Construction 0

PUBLIC HEARING:

BOND COUNSEL: McManimon & Scotland

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: T. Wells

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Lutheran Social Ministries at Crane's Mill, Inc.

P18174

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 459 Passaic Avenue

West Caldwell Township (N)

Essex

GOVERNOR'S INITIATIVES:

NJ Urban Fund

Edison Innovation Fund

Core

Ready for Growth

APPLICANT BACKGROUND:

Lutheran Social Ministries at Crane's Mill, Inc. (the "Applicant"), a 501(c)(3) not-for-profit corporation incorporated in 1995, owns and operates a continuing care retirement community ("CCRC") known as "Crane's Mill" located in West Caldwell. The facility consists of 205 independent living units, 60 assisted living units and 66 nursing beds (as of 1/31/07 occupancy rates were 99% for the independent living; 77% of the assisted living units and 90% of the skilled nursing beds). Within the CCRC is a community center, which includes among other areas, a library, arts center, snack/gift shop, indoor swimming pool and exercise room.

The Applicant is an affiliate of Lutheran Social Ministries of New Jersey, Inc., a 501(c)(3) not-for-profit corporation, which provides certain management services for Crane's Mill. The Crane's Mill facility employs approximately 101 full-time employees and 120 part-time employees.

Authority assistance enabled the Applicant in 1997 to construct the Crane's Mill facility with the proceeds of a \$57,270,000 EDA tax-exempt bond. In 2005, the 1997 Bonds were advanced refunded in the aggregate amount of \$30,600,000 underwritten by Herbert J. Sims & Co., Inc., as \$15,290,000 Series A fixed rate term bonds with a fixed interest rates of 5.0 and 5.1% and \$15,310,000 Series B weekly variable interest rate bonds initially at 5.003%. The Series B Bonds only are secured by a letter of credit from Sovereign Bank for a term of 10 years with a confirming wrap letter of credit from Unicredito Italiano.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the Applicant to finance: (i) the construction of Phase II of the Crane's Mill CCRC development, including a 117,900 sq. ft. residential building containing 70 independent living units and a covered garage space with 50 underground parking spaces. Construction on Phase II is expected to begin in June 2007; (ii) Phase III, the renovation of the assisted living component of the CCRC, which will convert the existing 60 assisted living units to 48 assisted living and 17 assisted living dementia units. Phase III renovation is expected to begin in August 2007; (iii) a debt service reserve fund; (iv) capitalized interest on the bonds for 21 months; and (v) costs of issuance.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Construction of new building or addition	\$25,700,000
Other-Marketing/Development/Contingency	\$3,167,000
Interest during construction	\$2,047,000
Engineering & architectural fees	\$1,145,000
Debt service reserve fund	\$1,050,000
Purchase of equipment & machinery	\$1,015,000
Working capital	\$741,000
Finance fees	\$350,000
Legal fees	\$250,000
Accounting fees	\$35,000
TOTAL COSTS	\$35,500,000

JOBS: At Application 101 Within 2 years 20 Maintained 0 Construction 771

PUBLIC HEARING:

BOND COUNSEL: McCarter & English

APPROVAL OFFICER: T. Wells

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Visiting Nurse Association of Northern New Jersey, Inc.

P18216

PROJECT USER(S): Brinton Eaton Associates, LP
The Rooke Company
Visiting Nurse Association of Northern New Jersey

* - indicates relation to applicant

PROJECT LOCATION: 175 South Street

Morristown Town (N)

Morris

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Visiting Nurse Association of Northern New Jersey, Inc. ("VNA"), established in 1893, is a 501(c)(3) not-for-profit home health care agency providing compassionate and comprehensive in-home nursing, rehabilitation therapies, social work, and home health aide services as well as adult day care and respite care throughout the greater Morris area. The team of VNA health care professionals is dedicated to helping its patients achieve their highest levels of health, independence and quality of living.

VNA will occupy 82% (24,600 sf) of the project site (30,000 sf) and consolidate 118 full time and 11 part time jobs from two of its locations in Morristown and Whippany to its new location on 175 South Street. VNA also has 165 per diem field staff in its employ. VNA will share the balance of the project site with two for-profit organizations. Brinton Eaton Associates LP, a wealth advisor established in 1988, occupies 13.5% (4,073 sf) and maintains 12 full time jobs. The Rooke Company, a private investor established in 1967, occupies 4.5% (1,360 sf) and maintains 4 full time jobs.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume Cap limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the applicant to refinance existing debt used to purchase a 30,000 sf building and lower the interest rate. Currently, VNA holds a five year adjustable rate mortgage with First Morris Bank & Trust, at a rate of 6.25%. The refinancing will afford the VNA a more manageable five year adjustable rate of 4.125%.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Refinancing	\$4,000,000
Legal fees	\$50,000
Finance fees	\$20,000
TOTAL COSTS	\$4,070,000

JOBS: At Application 134 Within 2 years 7 Maintained 0 Construction 0

PUBLIC HEARING:

DEVELOPMENT OFFICER: H. Friedberg

BOND COUNSEL: Carella, Byrne, Bain, Gilfillan,

APPROVAL OFFICER: L. Petrizzi

PUBLIC HEARING ONLY

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: Windmill Alliance, Inc.

P17040

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 141 Broadway

Bayonne City (T/UA)

Hudson

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Windmill Alliance, Inc. ("Windmill"), established in 1985, is a 501(c)(3) not-for-profit entity organized and sponsored by the Trinity Parish at Bergen Point ("Trinity"). Windmill provides a range of services to the disadvantaged and the disabled. These services include an adult training center for the developmentally disabled, supported housing for the disabled, supported employment, retail and thrift shop, counseling, crisis intervention, and a food bank. The services provided by the applicant are open to all regardless of religious affiliation. Trinity owns the project site and intends to lease it to Windmill.

The applicant is a not-for-profit, 501(c)(3) entity for which the Authority may issue tax-exempt bonds as permitted under Section 103 and Section 145 of the 1986 Internal Revenue Code as amended, and is not subject to the State Volume CAP limitation, pursuant to Section 146(g) of the Code.

APPROVAL REQUEST:

Authority assistance will enable the applicant to demolish a building, construct a new 15,000 sq ft two-story building in its place that will house the training and industry program for developmentally disabled adults and renovate and expand a second 3,500 sq ft building to 5,000 sq ft to house the retail, thrift and employment training programs. Both buildings are located on the same leased 1.273 acre property.

This project is being presented at the April 10, 2007 Board meeting for Public Hearing Only.

FINANCING SUMMARY:

BOND PURCHASER:

AMOUNT OF BOND:

TERMS OF BOND:

ENHANCEMENT: N/A

PROJECT COSTS:

Construction of new building or addition	\$2,323,000
Renovation of existing building	\$713,000
Contingency	\$349,985
Interest during construction	\$206,100
Engineering & architectural fees	\$90,000
Permits & Insurance	\$83,000
Project Management	\$80,000
Legal fees	\$75,000
Finance fees	\$6,250
Accounting fees	\$3,500
TOTAL COSTS	\$3,929,835

JOBS: At Application 8 Within 2 years 8 Maintained 0 Construction 91

PUBLIC HEARING: 04/10/07 (Published 03/26/07) **BOND COUNSEL:** McManimon & Scotland

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: L. Petrizzi



BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: 825 Lehigh Realty LLC

P18243

PROJECT USER(S): Novel Box Company, Ltd. *
Gavin Co. LLC

* - indicates relation to applicant

PROJECT LOCATION: 825 Lehigh Ave Union Township (T) Union

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

825 Lehigh Realty LLC (Lehigh), a real estate holding company, was formed to acquire the new site for use by Novel Box Company, Ltd (NBC). NBC, established in 1949, is a manufacturer and distributor of jewelry boxes, pouches, displays and trays, currently located in Brooklyn. In 1999, the company was acquired by Moshe Sternhill, President, (57.5%), and Chaim Kwadrat, Vice President (42.5%). Mr. Sternhill and Mr. Kwadrat manage the company today and also are the owners of Lehigh. The company sells nationally, via a mail order catalog (95%), and more recently through an on-line catalog (5%). NBC has approximately 5,000 clients, with its largest client, Jewelry Television (American's Collectibles), accounting for 12% of all revenues.

APPROVAL REQUEST:

Authority assistance will enable the applicant to acquire a 52,848 s.f. manufacturing facility on 2.4 acres in Union Township. NBC will occupy 30,000 s.f., with the balance leased out to the current 100% occupant, Gavin Co., which manufactures electric lamps.

North Fork Bank has committed to purchase a \$2,400,000 Tax Exempt Bond, contingent on the Authority approval of a \$480,000 direct loan (P18251), simultaneously being presented for approval. The Authority's direct loan will provide gap financing, necessary to complete the project. North Fork Bank is also providing a \$500,000 line of credit for working capital to replace an existing \$250,000 line of credit with Bank of America. The difference between the project costs, direct loan and the bond amount will be funded by Applicant's equity.

FINANCING SUMMARY:

BOND PURCHASER: North Fork Bank (Direct Purchase)

AMOUNT OF BOND: \$2,400,000 (Tax-Exempt Bond)

TERMS OF BOND: 20 years; interest rate to be fixed for 10 years at the tax equivalent of Libor + 175 basis points (4.5% as of 3/19/2007) via a swap. Bank has call option at the end of year ten and will reset the interest rate at the same index for the remaining ten years.

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$3,200,000
Renovation of existing building	\$360,000
Legal fees	\$20,000
Finance fees	\$20,000
Accounting fees	\$20,000
TOTAL COSTS	\$3,620,000

JOB: At Application 0 Within 2 years 40 Maintained 0 Construction 11

PUBLIC HEARING: 04/10/07 (Published 03/27/07) **BOND COUNSEL:** Wolff & Samson

DEVELOPMENT OFFICER: R. Gomez

APPROVAL OFFICER: M. Krug

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STAND-ALONE BOND PROGRAM**

APPLICANT: 385 Hillside Avenue Realty, LLC/Beau Label Manufacturing, Inc. P17347

PROJECT USER(S): Beau Label Manufacturing, Inc. * * - indicates relation to applicant

PROJECT LOCATION: 385 Hillside Avenue Hillside Twp. (T/UA) Union County

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

385 Hillside Avenue Realty, LLC is a limited liability company recently formed as a real estate holding company. The related operating company, Beau Label Manufacturing, Inc. ("Beau Label") manufactures pressure sensitive labels and hanging tabs such as computer and laser printer labels, window decals, custom tags, bar coding, etc., for a variety of products. Originated in 1967 as a New York corporation, Beau Label has remained in the Melapioni family and is currently owned and operated by the founder's grandson, Vincent J. Melapioni.

The Applicants were approved for a 60% BEIP grant (P16966), estimated at \$182,516, on December 13, 2005.

APPROVAL REQUEST:

Authority assistance will enable the applicants to acquire approx. 1.5 acres of land, a 27,300 sq. ft. facility and new machinery and equipment in order to expand and more efficiently operate their label manufacturing business. The applicants will consolidate their operations, relocating from Belleville, NJ and New York City, creating 39 new full-time jobs at the project site.

Other sources of funds include approval of a \$565,750 LDF loan (P17636) in conjunction with the bond financing, conventional financing from Sovereign Bank and the applicants' equity.

FINANCING SUMMARY:

BOND PURCHASER: Sovereign Bank (Direct Purchase)

AMOUNT OF BOND: \$1,120,000 (Tax-exempt)	\$430,000 (Tax-exempt)
TERMS OF BOND: 20 years; Fixed interest rate based on the tax exempt equivalent of the Bank's 10 yr. cost of funds plus 2% for 10 years (estimated rate as of 3/23/07 is 4.50%); call option and rate reset on 10th anniversary based on the same index.	10 years; Fixed interest rate based on the tax exempt equivalent of the Bank's 5 yr. cost of funds plus 2% for 5 years (estimated rate as of 3/23/07 is 4.45%); call option and rate reset on 5th anniversary at the same index.

ENHANCEMENT: N/A

PROJECT COSTS:

Acquisition of existing building	\$1,120,000
Purchase of equipment & machinery	\$995,750
Land	\$280,000
Renovation of existing building	\$180,000
Refinancing	\$170,000
Moving Expenses	\$105,000
Closing Costs	\$75,000
TOTAL COSTS	\$2,925,750

JOBS: At Application 12 Within 2 years 39 Maintained 0 Construction 5

PUBLIC HEARING: 04/10/07 (Published 03/26/07) **BOND COUNSEL** Schenck, Price, Smith & King

DEVELOPMENT OFFICER: L. Richardson

APPROVAL OFFICER: T. Wells



STATEWIDE LOAN POOL PROGRAM

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - STATEWIDE LOAN POOL PROGRAM**

APPLICANT: S.A.L. Property Management, LLC

P18162

PROJECT USER(S): First Due Emergency Supply Company, Inc. * * - indicates relation to applicant

PROJECT LOCATION: 122 Blackwood-Barnesboro Rd Washington Township (N) Gloucester

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

First Due Emergency Supply Co., Inc., (First Due) established in 1995, is a wholesale/retail supplier of fire, rescue, ambulance, and police equipment. The Company has outgrown its current leased space of 4,200 square feet reflecting business growth and desires to build a new facility.

This project involves the construction of a 10,000 square foot commercial property on a 3.24-acre lot in Sewell, NJ., (Washington Township). S.A.L. Property Management LLC., (SAL) has been formed to be the Borrower and owner of the property.

APPROVAL REQUEST:

Approval of a \$554,850 participation loan is requested.

FINANCING SUMMARY:

LENDER: Commerce Bank

AMOUNT OF LOAN: \$1,109,700 bank loan with a 50% (\$554,850) Authority participation.

TERMS OF LOAN: Bank loan fixed at the five-year US Treasury Rate plus 275 basis points (7.35% indicative). Rate reset at each five year anniversary. Twenty-year term, 20-year amortization.

TERMS OF PARTICIPATION: Fixed for five years at the time of closing at the five year US Treasury plus 1.00% with a floor of 4.00%. Five-year term, 20-year amortization.

PROJECT COSTS:

Construction of new building or addition	\$850,000
Land	\$200,000
Site Work	\$147,000
Soft Costs	\$36,000
TOTAL COSTS	\$1,233,000

JOBS: At Application 7 Within 2 years 9 Maintained 0 Construction 26

DEVELOPMENT OFFICER: H. Friedberg

APPROVAL OFFICER: D. Lawyer

FILM INDUSTRY ASSISTANCE PROGRAM

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - FILM INDUSTRY ASSISTANCE PROGRAM**

APPLICANT: Jersey Shore Films, LLC

P18244

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: to be determined

Keansburg Borough (T)

Monmouth

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Jersey Shore Films, LLC is a film production company formed to produce an independent film project called Kiddie Ride. Kiddie Ride is a full length, feature motion picture to be filmed principally at the Keansburg Amusement Park and Boardwalk in New Jersey. The film is a family friendship story of relationships that went awry and reconciled at the end. Jersey Shore Films is equally owned by Joe Pope and Kurt Gustafson who also serve as producers of this film project.

APPROVAL REQUEST:

Blue Rider Pictures (or other lender deemed acceptable to the Authority) has conceptually approved a \$1,250,000 loan as part of a \$1 million production budget contingent upon a 20% Authority guarantee (not to exceed \$255,000). Blue Rider is also anticipating this project will obtain film tax credits from the State of New Jersey (estimated amount \$150,000) and is taking an assignment of these proceeds which are expected to be received within the next 12 months. The Authority guarantee is subordinated to the lender in terms of payment and security. Other sources of funding include \$300,000 in investor equity.

FINANCING SUMMARY:

LENDER: Blue Rider Pictures, LLC

AMOUNT OF LOAN: \$1,250,000 loan with a 20% guarantee of principal outstanding not to exceed \$255,000 for 24 months.

TERMS OF LOAN: 14% interest; term up to 24 months with full payment at maturity.

PROJECT COSTS:

Film Production	\$972,000
Interest during construction	\$350,000
Finance fees	\$141,000
Contingency	\$50,000
Completion Bond	\$37,000
TOTAL COSTS	\$1,550,000

APPROVAL OFFICER: M. Conte

LOCAL DEVELOPMENT FINANCING FUND

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - LOCAL DEVELOPMENT FINANCING FUND PROGRAM**

APPLICANT: BHAGU, Inc.

P18114

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 100 Sinatra Drive

Hoboken City (T/UA)

Hudson

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

This project involves the start-up of a franchise restaurant called The Melting Pot in Hoboken, NJ. BHAGU, Inc., is a newly created entity to serve as the operating company and Borrower of project financing.

The Melting Pot Restaurants, Inc., is the nation's largest fondue restaurant chain. The Company has 86 corporate-owned and franchise locations nationwide and several locations under development.

APPROVAL REQUEST:

Approval of a participation loan up to \$500,000 is requested.

FINANCING SUMMARY:

LENDER: UPS Capital Business Credit

AMOUNT OF LOAN: \$1,300,000 bank loan with a 38.5% (\$500,000) Authority participation.

TERMS OF LOAN: Fixed at 9.75% for ten years. Ten-year term, ten-year amortization.

TERMS OF PARTICIPATION: Fixed for five years at the time of closing at 50% the Federal Discount Rate subject to a floor of 3.00%. Five year term, 10 year amortization.

PROJECT COSTS:

Purchase of equipment & machinery	\$935,720
Renovation of existing building	\$602,500
Letter of Credit	\$250,000
Working capital	\$241,780
Interest during construction	\$50,000
Engineering & architectural fees	\$40,000
Finance fees	\$40,000
Legal fees	\$30,000
Accounting fees	\$10,000
TOTAL COSTS	\$2,200,000

JOBS: At Application 0 Within 2 years 10 Maintained 0 Construction 18

DEVELOPMENT OFFICER: J. Colon

APPROVAL OFFICER: D. Lawyer



NEW MARKETS LOAN PROGRAM

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - NEW MARKETS TAX CREDITS PROGRAM**

APPLICANT: Journal Square Properties, LLC

P17762

PROJECT USER(S): VARIOUS

* - indicates relation to applicant

PROJECT LOCATION: 35 Journal Square

Jersey City (T/UA)

Hudson

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The principals of Sackman Enterprises ("Sackman"), a successful New York real estate developer, formed JSP to acquire a 177,000 square foot landmark commercial office building and an adjoining parking lot in downtown Jersey City. The building requires significant improvements to common areas, bathrooms and mechanical systems and utilities. The lobby and portions, including restrooms, of six of eleven floors have been renovated to date as new tenants have moved in. However, \$1,400,000 in further capital improvements, including an electrical system upgrade, and \$1,200,000 in tenant allowances for the fit out of office space, are needed to attract and service the needs of new tenants. The Applicant has requested the Authority's assistance to finance these additional renovations as well as to refinance the existing second mortgage loan to significantly reduce debt service and the mitigate the negative cash flow until the project is stabilized. The Authority's assistance is needed to permit the continued redevelopment of an underutilized landmark building in the central business district of urban aid Jersey City.

APPROVAL REQUEST:

Approval is requested for a \$4,200,000 New Markets Tax Credit Loan for the refinance of the existing second mortgage loan and building wide capital expenditures. This will supplement a \$1,600,000 LDFF loan (P18249) being requested simultaneously.

FINANCING SUMMARY:

LENDER: NJCDE - 1
AMOUNT OF LOAN: \$4,200,000
TERMS OF LOAN: Fixed at 3%; 7 years interest only; 7 year bullet maturity

PROJECT COSTS:

Renovation of existing building	\$6,208,544
Refinancing	\$2,750,000
Working capital	\$2,340,486
Finance fees	\$212,000
Legal fees	\$31,500
TOTAL COSTS	\$11,542,530

JOBS: At Application 175 Within 2 years 755 Maintained 0 Construction 186

DEVELOPMENT OFFICER: R. Fischer

APPROVAL OFFICER: D. Weick



EDISON INNOVATION FUND

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - EDISON INNOVATION FUND PROGRAM**

APPLICANT: Chromis Fiberoptics, Inc.

P17828

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 6 Powder Horn Drive

Warren Township (N)

Somerset

GOVERNOR'S INITIATIVES:

() NJ Urban Fund (X) Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

Formed in December of 2003, Chromis Fiberoptics, Inc. (Chromis, which operated as an LLC until August of 2006) acquired the former Lucent perfluorinated graded index plastic optical fibers (GI-POF) research business from Furukawa Electric Co. The former Bell Labs had spent six years and \$7 million investing in this patented technology. These products will address the next generation of broadband services and entertainment to businesses and consumers providing a low cost, high speed communication links with same installation and connection simplicity of copper wiring. Chromis will manufacture this plastic optical fiber by extrusion which will be sold to cable and device manufacturers as well as related product suite to distributors and end users.

APPROVAL REQUEST:

Approval is requested for a \$1,000,000 Edison Innovation Fund Investment. The proceeds will be used to execute on their initial sales opportunities in the industrial and medical areas (core sales and marketing, customer support, scalable production, sourcing and accounting systems) and to lay the groundwork for expansion of the business into other areas until positive recurring cash flow is achieved.

FINANCING SUMMARY:

LENDER: NJEDA

AMOUNT OF LOAN: \$1,000,000 Edison Innovation Fund Investment

TERMS OF LOAN: 6% fixed; No payments during the first year (interest during this period will accrue and will be capitalized), followed by four years equal principal plus interest payments in amounts adequate to fully repay the investment.

PROJECT COSTS:

Growth Capital	\$2,000,000
Finance fees	\$5,000
TOTAL COSTS	\$2,005,000

JOBS: At Application 2 Within 2 years 22 Maintained 0 Construction 0

DEVELOPMENT OFFICER: K. Coviello

APPROVAL OFFICER: M. Conte

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - EDISON INNOVATION FUND PROGRAM**

APPLICANT: IntegriChain, Inc.

P17959

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 100 Canal Pointe Blvd

Princeton Borough (N)

Mercer

GOVERNOR'S INITIATIVES:

() NJ Urban Fund (X) Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

IntegriChain provides secure supply-chain intelligence to the healthcare industry. IntegriChain's proprietary data, analytics, and domain expertise enable manufacturers to monitor the forward supply chain for illicit commerce that jeopardizes patient safety and brand integrity. IntegriChain services currently defend more than \$35 billion in prescription drug trade against counterfeiting, diversion, and other threats to supply-chain integrity.

APPROVAL REQUEST:

Approval is requested for a \$1,000,000 Edison Innovation Fund. The proceeds will be used to expand sales and marketing capacity and build up customer service and data operations to accommodate an expanding customer base. The funding will also be used to purchase computer hardware and software in support of the corporate data center and back up systems.

FINANCING SUMMARY:

LENDER:

NJEDA

AMOUNT OF LOAN:

\$1,000,000 Edison Innovation Fund Investment

TERMS OF LOAN:

6.00% fixed; No payments during the first year, (interest during this period will accrue and will be capitalized), followed by four years equal principal plus interest payments in amounts adequate to fully repay the investment.

PROJECT COSTS:

Working capital	\$900,000
Purchase of equipment & machinery	\$100,000
Finance Fees	\$10,000
TOTAL COSTS	\$1,010,000

JOBS: At Application 10 Within 2 years 34 Maintained _____ Construction _____

DEVELOPMENT OFFICER: S. di Stefano

APPROVAL OFFICER: D. Lawyer





MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

SUBJECT: Springboard Grant and Business Employment Incentive (BEIP) Programs

DATE: April 10, 2007

OBJECTIVE

The Members of the Authority are asked to approve an approach to the Springboard Grant programs to enhance our incentives for technology companies to create jobs in New Jersey. This approach would benefit:

Springboard Grant recipients that achieve success in developing their product and are now attracting equity and economic incentive offers from other states; **and** that can meet the BEIP grant program eligibility, including economic viability and material factor requirements.

BACKGROUND

Recently, the Authority received applications for BEIP grants from two high tech companies, Hycrete, Inc., and incNetworks, Inc. that are prior recipients of Springboard grants. The companies are seeking approval at the Authority's April 10, 2007 Board Meeting. The Springboard Fund I & II Grant programs are recoverable grants made available to technology companies to provide seed capital for initiatives needed for a successful market entry. These programs were recently incorporated into the Edison Innovation Fund (EIF). The Springboard I Fund was initially under the Commission on Science and Technology (CST), and is monitored today by the Authority through a Memorandum of Understanding with CST. Springboard II Fund is an Authority program. Under each Fund, grant awards were based on:

- Concept development through determination of technical feasibility and prototyping;
- Demonstration and pilot projects, including clinical and other field trials.

Further, as a requirement for the Springboard grants, applicants are required to be domiciled in New Jersey. However, the BEIP material factor test requires an applicant to document their options and incentives offered to relocate outside of New Jersey in order to demonstrate that the availability of a BEIP grant is a material factor in the company's decision to expand in New Jersey.

The specific language in the Springboard grant agreement states:

.... Springboard Award recipient agrees that any product development or process improvement activities that result from this funding will occur in New Jersey. Award recipient agrees that it will maintain its primary place of business and principal operations in New Jersey, during the funding period and until all obligations under this agreement have been satisfied, unless otherwise agreed by the Commission (Commission on Science and Technology) or NJEDA on Springboard II. Violations of this provision without express written approval of the Commission, or NJEDA on Springboard II, constitutes default under this Agreement and may result in penalties pursuant to section I.K herein.

If the recipients were to prepay the Springboard Fund Grant, they would be free to relocate out of New Jersey without incurring a default

SPRINGBOARD PROGRAM SUCCESS

Consistent with the overall goals of the Edison Fund, the Springboard Grant program invests in companies that show potential to create jobs in New Jersey, are economically viable, and are developing technology that could ultimately have commercial use. To this end, Hycrete, Inc., and incNetworks, Inc. have been successful. They are achieving higher levels of commercialization, profitability and ability to attract equity. Both companies have indicated they are being recruited to move their operations to other states based on the location of their equity partners, customers and governmental incentives.

Hycrete, Inc.

Springboard II	\$250,000
Date closed:	November 29, 2004
Technology:	Specialty Chemical Company
Projected Equity infusion by VCs:	\$8,000,000

incNetworks, Inc.,

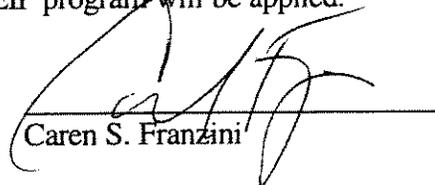
Springboard I	\$115,000
Date closed:	January 15, 2003
Technology	Broadband Mobility Solutions
Proposed Equity infusion by VCs:	\$7,000,000

RECOMMENDATION:

The Members of the Authority are asked to approve an approach to the Springboard grant programs that will allow the EDA the flexibility to consider and award a BEIP grant to Springboard Grant recipients in order to continue their growth in New Jersey. Hycrete, Inc. and incNetworks, Inc. are two examples of companies that were infused with Springboard recoverable grants that have evolved from an innovative concept to the point of attracting capital for commercial development of their respective products.

The Springboard agreement and BEIP agreement will cross-reference the following requirements:

- Springboard grant repayment and residency requirements will remain the same.
- All events of default, as agreed to in the Springboard grant, will follow through to the companies default obligations under the BEIP grant program.
- Should the company move from New Jersey prior to completion of the full BEIP term commitment, the repayment of the Springboard grant will be accelerated and the applicable claw back provisions under the BEIP program will be applied.


Caren S. Franzini



**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Fraba, Inc

P18185

PROJECT LOCATION: 300 Alexander Park West Windsor Township Mercer County

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Fraba, Inc. (Fraba), a wholly owned subsidiary of Fraba, AG, a German based company founded in 1918, was incorporated in NJ in 2000. Fraba sells high technology products for medical diagnostic and industrial automation applications manufactured by its European based affiliates. Fraba, AG, has six operating subsidiaries in Europe, including a new manufacturing facility in Poland. Included among the applicant's customer base are General Electric Medical Systems, Siemens, Honeywell and the Schneider Group. The company is economically viable.

MATERIAL FACTOR:

Fraba is seeking a BEIP grant to support the creation of 12 new jobs and establish its U.S. corporate headquarters in New Jersey. Also under consideration are sites in Morrisville and Langhorne, Pennsylvania. A favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to expand in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 50%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Fraba, Inc to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 74,649
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 2

ELIGIBLE BEIP JOBS: Year 1 6 Year 2 6 Base Years Total = 12

ANTICIPATED AVERAGE WAGES: \$52,083

ESTIMATED PROJECT COSTS: \$50,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$149,298

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$149,298

PROJECT IS: (X) Expansion (X) Relocation Princeton Junction

CONSTRUCTION: () Yes (X) No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: () Domestic (X) Foreign Germany

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	West Windsor Township	N/A
2. Job Creation	12	1
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	2	0
4. Industry:	Medical device technology	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$50,000	0
7. Average Wage:	\$ 52,083	3
TOTAL:		8

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____
Total Bonus Points:		20 %

Total Score :

Total Score per formula:	8 = 30 %
Construction/Renovation :	0 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	50 %

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Carlstadt Borough	N/A
2. Job Creation	55	2
	Targeted : <u> X </u> Non-Targeted : _____	
3. Job at Risk:	20	1
4. Industry:	Advanced materials	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$110,000	0
7. Average Wage:	\$ 100,000	4
TOTAL:		11

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	_____
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____
		0 %

Total Bonus Points:

Total Score :

Total Score per formula:	11 = 35 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	40 %

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Piscataway	N/A
2. Job Creation	123	2
	Targeted : <input checked="" type="checkbox"/> Non-Targeted : _____	
3. Job at Risk:	8	0
4. Industry:	Electronic device technology	2
	Designated : <input checked="" type="checkbox"/> Non-Designated : _____	
5. Leverage:	1 to 1	0
6. Capital Investment:	\$1	0
7. Average Wage:	\$ 100,000	4
TOTAL:		8

Bonus Increases (up to 80 %):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

20 %

Total Bonus Points:

Total Score :

Total Score per formula:	8 = 30 %
Construction/Renovation :	0 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	50 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Opera Solutions, LLC.

P18164

PROJECT LOCATION: 10 Exchange Place

Jersey City (T/UA)

Hudson County

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Opera Solutions, LLC (Opera), formed in 2003, is a specialist global advisory firm with the singular focus of delivering substantial bottom line impact, transforming the operational effectiveness of its clients, within a 12 month period. The five areas of consulting are: Growth Analytics, Customer Innovation & Loyalty, Pricing & Product Innovation, Investment Rationalization, and Procurement Optimization. The Opera team has over 900 successful projects to their credit. While recognized for their leadership in the Financial Services industry, Opera possesses deep industry experience in Telecom, Media and Content, Retail, Consumer Products, and other industries. The founding members of Opera have worked together as a team since 1992 in many successful entrepreneurial ventures. Opera's clients are global, from New York, London, Shanon Co, Ireland and Paris to Shanghai and New Delhi, in Asia. The applicant is economically viable.

MATERIAL FACTOR:

Opera is requesting a BEIP grant to support relocating 140 jobs from its New York City corporate headquarter to Jersey City, in addition to creating 95 new jobs, for a total of 235 new jobs for New Jersey. Under consideration is remaining in New York City. The applicant is estimating project cost will be \$2,800,000. Management has indicated that the award of the BEIP grant is a material factor in its decision to locate its US headquarter to New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 80%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Opera Solutions, LLC. to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 11,750,000

(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 195 Year 2 40 Base Years Total = 235

ANTICIPATED AVERAGE WAGES: \$140,043

ESTIMATED PROJECT COSTS: \$2,800,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$15,246,369

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$11,119,553

PROJECT IS: (X) Expansion (X) Relocation New York

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: (X) Domestic () Foreign

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Jersey City	N/A
2. Job Creation 235	4
Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk: 0	0
4. Industry: business management & support services	0
Designated : _____ Non-Designated : <u> X </u>	
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$2,800,000	1
7. Average Wage: \$ 140,043	4
TOTAL:	11

Bonus Increases (up to 80 %):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20% <u> 20% </u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30% <u> </u>
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20% <u> 20% </u>
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20% <u> </u>
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15% <u> 15% </u>
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15% <u> </u>
Located in an area designated by the locality as an "area in need of redevelopment"	10% <u> </u>
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10% <u> </u>
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10% <u> </u>
Total Bonus Points:	55 %

Total Score :

Total Score per formula:	11 = 35 %
Construction/Renovation :	5 %
Bonus Increases :	55 %
Total Score (not to exceed 80 %):	80 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: VELOX Semiconductor Corporation

P18085

PROJECT LOCATION: 600 Corporate Court

South Plainfield Borough Middlesex County

GOVERNOR'S INITIATIVES:

() NJ Urban Fund (X) Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

VELOX Semiconductor Corporation ("VELOX") was formed to develop and commercialize high-volume, cost effective Gallium Nitride ("GaN") semiconductors that address problems of size and efficiency in the power supply industry. VELOX is a spin-off from EMCORE Corporation ("EMCORE"), a \$100 million publicly traded company and leader in compound semiconductor materials including GaN materials, optoelectric components, and solar cells. The applicant is economically viable.

The Authority approved at its December 2006 Board meeting a \$1,000,000 (P17844) Edison Innovation Fund investment for the benefit of the applicant. The proceeds will be used to finance the completion of device qualification, start initial pilot production, and salaries.

MATERIAL FACTOR:

Velox is requesting a BEIP grant to support creation of 35 new fabrication and engineering jobs. The applicant is estimating project costs to be \$200,000. Velox's lease expires on September 30, 2007 and it is considering options to remain in New Jersey or move to the Lehigh Valley (Breinigsville) in Pennsylvania, a region encouraging high technology growth. Management has indicated that the award of the BEIP grant is a material factor in its decision to expand and remain in New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 55%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage VELOX Semiconductor Corporation to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 277,030

(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 14

ELIGIBLE BEIP JOBS: Year 1 9 Year 2 26 Base Years Total = 35

ANTICIPATED AVERAGE WAGES: \$56,514

ESTIMATED PROJECT COSTS: \$200,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$503,690

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$478,506

PROJECT IS: (X) Expansion (X) Relocation Somerset, NJ

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: K. Coviello

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	South Plainfield Borough	N/A
2. Job Creation:	35	1
	Targeted : <input checked="" type="checkbox"/> Non-Targeted : _____	
3. Job at Risk:	14	1
4. Industry:	Advanced materials	2
	Designated : <input checked="" type="checkbox"/> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$200,000	0
7. Average Wage:	\$ 56,514	3
TOTAL:		9

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

Total Bonus Points:

20 %

Total Score :

Total Score per formula:	9 = 30 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	55 %





MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

SUBJECT: Springboard I Recoverable Grants

Proposal Request:

Delegate authority to Staff to modify repayment terms on Springboard I Recoverable Grants when requested by Grantees to provide cash flow relief to their high tech businesses. This approval will expand the current delegation provided to Staff in July 2003 to manage EDA's portfolio of loans and guarantees. The original maturity dates of the grants will not be extended as a result of these actions; all maturity extensions will follow the new approval process which requires a full analysis and Board approval.

Background:

The New Jersey Commission on Science and Technology ("Commission") was formed by the Kean Administration in 1985 under the "New Jersey High Technology and Biotechnology Industry Promotion Act." Funding for the Commission was facilitated under the Whitman Administration from 1997-2003 during which time the Commission provided 63 grants to New Jersey high technology businesses for \$12.3MM. Grants were awarded up to \$250,000 on a 10 year repayment term which begins two years after funding. Repayment is calculated on a sliding scale percentage of revenues ranging from 1% in year one of repayment and increases annually by 1% up to 5% in years 5-10.

In March 2004 EDA signed a Memorandum of Understanding (MOU) with the Commission which delegated servicing responsibilities of the portfolio (including collection of annual payments from grantees) to EDA. The MOU further agrees to allow all payments collected by EDA to fund our Edison initiatives. EDA has collected \$2.3 million over the past 3 years under these grants. The value of the portfolio at 12/31/06 was \$7 million.

In working with these technology companies since 2004 our experience has shown that many of these businesses continue to struggle after start-up. While they may generate sales, they continue to report losses or minimal profits. In later years when payments due on these grants are at the 5% of sales level, these companies often are unable to make the lump sum payments required. EDA is often approached to

Re: Springboard I Recoverable Grants
Page Two
April 10, 2007

restructure payment terms on these grants to provide cash flow relief to these companies and would like to have the flexibility to do so. Because the MOU is silent regarding restructuring grant terms, Staff is working with the Commission on this issue to obtain their concurrence and is simultaneously moving forward with approval from EDA's Board.

Since the Board has already delegated the process of modifying repayment terms within the existing term of the loans/guarantees to Staff, we are requesting an expansion of the delegation to these Springboard I Recoverable grants. These repayment modifications would be reviewed by Staff using the same criteria customarily used in making these decisions.

Recommendation:

Staff recommends Board consent to expanding the July 2003 delegation on EDA's loans/guarantees to include repayment modifications on Springboard I Recoverable grants. Board approval of this delegation would facilitate Staff's ability to work with these companies to make alternative payment arrangements within the existing grant term to provide cash flow relief to these companies.

These modifications would be treated as Operating Approvals and require the signatures of the Credit Officer, Director of Credit Compliance or Credit Underwriting and the Senior Vice President of Operations. These actions would be shared with the Commission as part of our quarterly reporting requirements.

The Members are asked to approve this request, subject to final approval from the Commission.



Prepared by: Kathleen Durand



FILM TAX CREDIT TRANSFER PROGRAM

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

APPLICANT: A.M.Y.S. Films, LLC

APPLICANT BACKGROUND:

A.M.Y.S. Films, LLC, was formed in 2005 by Choice James Skinner and Allen Maldonado as co-owners. Mr. Skinner is a director/writer/co-producer and actor who wrote his first screen play in 1999 titled "A New Life". Mr. Skinner recently starred in the film "Art School Confidential" and appeared in a recent episode of the TV sitcom, "How I Met Your Mother". Mr. Maldonado is a co-producer/actor/writer known for his recurring role in the soap opera, "Young and the Restless".

APPROVAL REQUEST:

Authority assistance will enable the applicant to receive a 20% tax credit for Qualified Production Expenses incurred in New Jersey for the production of the "And Then You Die" script, written by Choice Skinner, into a movie with principal photography to begin by June 11, 2007 and completed by June 30, 2007.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

PRINCIPAL PHOTOGRAPHY SCHEDULED TO BEGIN: June 11, 2007
ESTIMATED DATE OF PROJECT COMPLETION: June 30, 2007

PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:
Theatrical, Cable Television, Network Television and Home Video/DVD

PROJECT COSTS:

Total Production Expenses (Less Post-Production Costs)	\$1,383,691
Total New Jersey Production Expenses	\$1,312,000
Total New Jersey Post Production Expenses	\$ 19,500

Percent of Costs in New Jersey (95%)

Estimated Tax Benefit Amount	\$ 262,400
Applicant's Fiscal Year End	December

APPROVAL OFFICER: T. Wells

COUNSEL: DAG

APPLICATION RECEIVED DATE: February 27, 2007 (Application #10)
APPLICATION APPROVED DATE:

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - FILM TAX CREDIT TRANSFER**

APPLICANT: Bling Productions, Inc

APPLICANT BACKGROUND:

Bling Productions, Inc. produced a film titled Wifeys. Wifeys is the pilot show for a proposed television series. Mike Elliott, writer and one of the Executive Producers, began his producing career in 1990 at Roger Corman's Concorde/New Horizons, producing more than 100 fully distributed feature films. Joe Genier is the Producer and has produced and managed more than 50 feature films in a dozen countries. Queen Latifah and Shakim Compere are also Executive Producers. Queen Latifah is a musician, television and film actress. Shakim Compere and Queen Latifah started Flavor Unit Management which has entered the top echelon of pop music management companies.

APPROVAL REQUEST:

Authority assistance will enable the applicant to receive a 20% tax credit for production expenses incurred in New Jersey for its cable television pilot show titled Wifeys. It began principal photography on February 26, 2007 and concluded on March 5, 2007.

This application has been reviewed by the New Jersey Motion Picture and Television Commission.

PRINCIPAL PHOTOGRAPHY SCHEDULED TO BEGIN: February 26, 2007
ESTIMATED DATE OF PROJECT COMPLETION: March 5, 2007

PRINCIPAL MARKET(S) FOR WHICH PRODUCTION IS INTENDED:
Cable Television

PROJECT COSTS:

Total Production Expenses (Less Post-Production Costs)	\$1,573,186
Total New Jersey Production Expenses	\$1,485,672
Total New Jersey Post Production Expenses	\$ 750
Percent of Costs in New Jersey	(94.5%)
Estimated Tax Benefit Amount	\$ 297,284

FINANCE OFFICER: K.DeLuca **COUNSEL:** DAG

APPLICATION RECEIVED DATE: December 14, 2006 (Application #9)
APPLICATION APPROVED DATE:



**PETROLEUM UNDERGROUND STORAGE TANK
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini
Chief Executive Officer
DATE: April 10, 2007
SUBJECT: NJDEP Petroleum UST Remediation, Upgrade & Closure Fund Program

The following commercial project has been approved by the Department of Environmental Protection for a loan to perform site remediation. The scope of work is described on the attached project summary.

Loan:
A. Hafez Suri. \$27,251

Total UST funding for April 2007 \$27,251

Prepared by: Lisa Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - UNDERGROUND STORAGE TANK PROGRAM**

APPLICANT: A. Hafez Suri

P18274

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 1365 Queen Anne Road

Teaneck Township (N)

Bergen

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Abdul Suri is sole owner of the property located at 1365 Queen Anne Road, Teaneck. The project site operates as a gas station and auto repair facility. The proposed project consists of soil and ground water remediation with an estimated cost of \$30,351. NJDEP has reviewed the project and deemed that applicant is technically eligible for a \$27,251 loan.

APPROVAL REQUEST:

Approval is requested for a \$27,251 PUST loan as proposed.

FINANCING SUMMARY:

LENDER: Petroleum UST Remediation, Upgrade & Closure Fund

AMOUNT OF LOAN: \$27,251

TERMS OF LOAN: Rate fixed at 3%. five year term, five year amortization.

PROJECT COSTS:

Remediation	\$30,351
NJDEP oversight cost	\$3,035
EDA administrative cost	\$1,500
TOTAL COSTS	\$34,886

APPROVAL OFFICER: T. Melton



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

SUBJECT: Petroleum Underground Storage Tank Program - Delegated Authority Approvals
(For Informational Purposes Only)

Pursuant to the Board's approval on May 9, 2006, the Chief Executive Officer ("CEO") has been given the authority to approve initial grants under the Hazardous Discharge Site Remediation Fund and Petroleum Underground Storage Tank programs up to \$100,000 and supplemental grants up to an aggregate of \$100,000.

In August 2006, the Petroleum Underground Storage Tank Program legislation was amended to allow funding for the closure and/or replacement of non-leaking residential underground storage tanks. The limits allowed under the amended legislation is \$1,200 for the closure and \$3,000 for the closure and replacement of a non-leaking residential underground storage tank.

Below is a summary of the Delegated Authority approvals processed by Program Services for the month of March 2007.

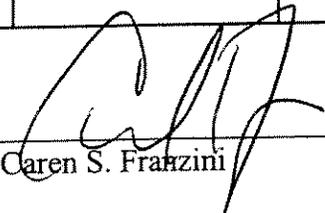
Applicant	Description	Grant Amount	Awarded to Date
Jean Blakely P17785	Initial grant for upgrade, closure and remediation	\$11,886	\$11,886
Charles & Maurice Booker / P18015	Initial grant for upgrade, closure and remediation	\$11,454	\$11,454
Rudolph Coerts P17874	Initial grant for upgrade, closure and remediation	\$23,711	\$23,711
Robert & Virginia Cronin / P18124	Initial grant for upgrade, closure and remediation	\$10,005	\$10,005

Silfa Cruz P18012	Initial grant for upgrade, closure and remediation	\$8,480	\$8,480
Dean & Luisa DiPace P18058	Initial grant for upgrade, closure and remediation	\$2,027	\$2,027
Robert & Margaret Dragon / P17809	Initial grant for upgrade, closure and remediation	\$1,170	\$1,170
Joseph & Leanne Duffy / P17822	Initial grant for upgrade, closure and remediation	\$26,607	\$26,607
Kevin & Sandra Farrar / P17810	Initial grant for upgrade, closure and remediation	\$5,877	\$5,877
Jill & Scott Harris P18013	Initial grant for upgrade, closure and remediation	\$8,008	\$8,008
John Patalano P1677s	Supplemental grant for site remediation	\$49,917	\$96,386
Hileran Phillips P17996	Initial grant for upgrade, closure and remediation	\$4,203	\$4,203
Steven & Sherri Sciafani / P17997	Initial grant for upgrade and closure	\$1,840	\$1,840
Thomas & Cynthia Silvers / P17963	Initial grant for upgrade, closure and remediation	\$9,578	\$9,578
Anthony & Dianne Simcic / P17995	Initial grant for upgrade, closure and remediation	\$9,227	\$9,227
Beth Sinclair P17989	Initial grant for upgrade, closure and remediation	\$9,927	\$9,927
Stephen & Rhonda Tucholski / P17953	Initial grant for site remediation	\$5,338	\$5,338
17 Grants	Total Delegated Authority funding for Leaking Tank applications in March 2007	\$199,255	

Scott & Ellen Aniello P18135	Grant for removal and replacement of an underground storage tank	\$2,187	\$2,187
Mary Anselmo P18044	Grant for removal and replacement of an underground storage tank	\$2,150	\$2,150
William & Elaine Baker / P18135	Grant for removal and replacement of an underground storage tank	\$2,500	\$2,500

Laine Bonacci P18094	Grant for removal of an underground storage tank	\$1,200	\$1,200
Erin Booth P18091	Grant for removal and replacement of an underground storage tank	\$2,326	\$2,326
Virgil Briles, Jr. P17917	Grant for removal and replacement of an underground storage tank	\$2,391	\$2,391
Joan Carpenter P18042	Grant for removal and replacement of an underground storage tank	\$2,270	\$2,270
Anthony Cetani P18095	Grant for removal and replacement of an underground storage tank	\$2,970	\$2,970
Frank Cuccurullo P18098	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Peter DeMeulenaere P18100	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Karen Earley P18043	Grant for removal and replacement of an underground storage tank	\$2,450	\$2,450
James & Madeline Fittipaldi / P18152	Grant for closure and replacement of an underground storage tank	\$3,000	\$3,000
Tristan Gillespie P18089	Grant for closure and replacement of an underground storage tank	\$3,000	\$3,000
Thomas & Lori Glowaczewski P18096	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Joseph Gutleber P18134	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Matthew Gyulay P18092	Grant for removal of an underground storage tank	\$1,200	\$1,200
Frank Issendorf P18093	Grant for removal and replacement of an underground storage tank	\$2,300	\$2,300
Janet Jagers P18137	Grant for removal of an underground storage tank	\$1,200	\$1,200
Kenneth & Carol Jung P18138	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Eleanor Magee P18041	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Paul Maino P18101	Grant for closure of an underground storage tank	\$999	\$999

John Masterson P18099	Grant for removal and replacement of an underground storage tank	\$2,698	\$2,698
Franz Montane P18005	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Joseph Mullin P18104	Grant for removal of an underground storage tank	\$1,166	\$1,166
James & Kathleen Pierman / P17946	Grant for removal of an underground storage tank	\$1,200	\$1,200
Carolyn Rauscher P18132	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Alice Schaal P18072	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
Anthony Schaefer P18071	Grant for removal and replacement of an underground storage tank	\$3,000	3,000
John Scheri P17981	Grant for removal and replacement of an underground storage tank	\$3,000	\$3,000
James Shane P18070	Grant for closure of an underground storage tank	\$1,200	\$1,200
Jimmy Thompson P18068	Grant for removal and replacement of an underground storage tank	\$2,500	\$2,500
Todd Weber P18075	Grant for removal and replacement of an underground storage tank	\$2,192	\$2,192
Susan Wilbur P18139	Grant for closure of an underground storage tank	\$1,155	\$1,155
Gary Ziegler P18008	Grant for removal of an underground storage tank	\$1,017	\$1,017
34 Grants	Total Delegated Authority funding for Non-Leaking Tank applications in March 2007	\$78,271	


Caren S. Franzini

Prepared by: Lisa Petrizzi

**HAZARDOUS DISCHARGE SITE REMEDIATION FUND
PROGRAM**



MEMORANDUM

TO: Members of the Authority
FROM: Caren S. Franzini, Chief Executive Officer
DATE: April 10, 2007
SUBJECT: Hazardous Discharge Site Remediation Fund Program

The following commercial and municipal projects have been approved by the Department of Environmental Protection for grants to perform site investigation, remedial investigation and remedial action activities. The scope of work is described on the attached project summaries.

Private Grant:

C. Richard Barfuss a/k/a Harvard Press, Inc.	\$569,286
Total	\$569,286

Municipal Grants:

City of Estell Manor (Estell Manor City Landfill)	\$244,848
Township of Mount Holly (Former Ankokas Mills)	\$477,309
City of Paterson (Columbia Textile Mill)	\$122,012
Total	\$844,169

Commercial Loans:

Rockland Corporation	\$155,122
Wyckoff Cleaners, Inc.	\$35,205
Total	\$190,327

Total HDSRF funding for April 2007 \$1,603,782

Prepared by: Lisa Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG GRANT**

APPLICANT: C. Richard Barfuss

P18156

PROJECT USER(S): Harvard Press, Inc. *

* - indicates relation to applicant

PROJECT LOCATION: 550 Central Avenue

Orange City (T/UA)

Essex

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

C. Richard Barfuss is the owner of project site and the occupant business, a/k/a Harvard Press, Inc., which is a printing company located in Orange City. The NJDEP Bureau of Case Management has found the applicant's proposal for financial assistance to be administratively and technically complete and has approved funding to be provided in the form of a Hazardous Discharge Site Remediation Innocent Party Grant under N.J.S.A. 58:10B-Subsection 4, Series A. The grant has been calculated using 50% of the approved remedial investigation and remedial action project costs of \$1,035,064, which equals \$517,532 and adding the identified NJDEP costs of \$51,754.

The scope of work involves remedial investigation and remedial action activities including soil and groundwater remediation, installation of 8 groundwater monitoring wells, and soil sampling.

APPROVAL REQUEST:

The applicant is requesting grant funding in the amount of \$569,286 to perform the approved scope of work at the project site.

The NJDEP estimated oversight fee is \$51,754. This assumes that the work will not require a high level of NJDEP involvement and that reports of an acceptable quality will be submitted to the NJDEP.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$569,286 (50% Innocent Party Grant)

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial Action	\$1,014,824
NJDEP oversight cost	\$51,754
Remedial investigation	\$20,240
EDA administrative cost	\$500
TOTAL COSTS	\$1,087,318

APPROVAL OFFICER: L. Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT**

APPLICANT: City of Estell Manor (Estell Manor City Landfill)

P18176

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: Old Mays Landing Road

Estell Manor City (N)

Atlantic

GOVERNOR'S INITIATIVES:

NJ Urban Fund

Edison Innovation Fund

Core

Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 58, Lot 3, is a former landfill which has potential environmental areas of concern (AOC's). The City of Estell Manor currently owns the project site and has satisfied Proof of Site Control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site for recreation and conservation purposes.

NJDEP has approved this request for Remedial Investigation (RI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

APPROVAL REQUEST:

The City of Estell Manor is requesting grant funding to perform RI in the amount of \$244,848 at the Estell Manor City Landfill project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$244,848

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$222,589
NJDEP oversight cost	\$22,259
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$245,348</u></u>

APPROVAL OFFICER: L. Petrizzi

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT

APPLICANT: Township of Mount Holly (Former Ankokas Mills)

P18223

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 14 King Street

Mount Holly Township (T/UA)

Burlington

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block 38, Lot 1, is 4 acres of land including buildings, parking areas, an alley and undeveloped land previously used for industrial purposes which has potential environmental areas of concern (AOC's). The Township of Mount Holly owns the project site and has satisfied Proof of Site Control. It is the Township's intent, upon completion of the environmental investigation activities, to redevelop the project site for commercial development as outlined in the Township's redevelopment plan.

NJDEP has approved this request for Site Investigation (SI) and Remedial Investigation (RI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

APPROVAL REQUEST:

The Township of Mount Holly is requesting grant funding to perform SI and RI in the amount of \$477,309 at the Former Ankokas Mills project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$477,309

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$430,917
NJDEP oversight cost	\$43,392
Site investigation	\$3,000
EDA administrative cost	\$500
TOTAL COSTS	<u><u>\$477,809</u></u>

APPROVAL OFFICER: L. Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS SITE REMEDIATION - MUNICIPAL GRANT**

APPLICANT: City of Paterson (Columbia Textile Mill)

P18080

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 28-42 Ryle Avenue

Paterson City (T/UA)

Passaic

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

The project site, identified as Block B0134, Lot 2, is a vacant textile mill which has potential environmental areas of concern (AOC's). The City of Paterson intends to acquire the project site and has satisfied Proof of Site Control. It is the City's intent, upon completion of the environmental investigation activities, to redevelop the project site for mixed-use development.

NJDEP has approved this request for Site Investigation (SI) and Remedial Investigation (RI) grant funding on the above-referenced project site and finds the project technically eligible under the HDSRF program, Category 2, Series A.

APPROVAL REQUEST:

The City of Paterson is requesting grant funding to perform SI and RI in the amount of \$122,012 at the Columbia Textile Mill project site.

FINANCING SUMMARY:

GRANTOR: Hazardous Discharge Site Remediation Fund

AMOUNT OF GRANT: \$122,012

TERMS OF GRANT: No Interest; No Repayment

PROJECT COSTS:

Remedial investigation	\$58,578
Site investigation	\$52,342
NJDEP oversight cost	\$11,092
EDA administrative cost	\$500
TOTAL COSTS	\$122,512

APPROVAL OFFICER: L. Petrizzi

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG PROGRAM**

APPLICANT: Rockland Corporation

P18246

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 686 Passaic Avenue

West Caldwell Township (N)

Essex

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Rockland Corporation was incorporated in 1939 and ceased operation in September 2003. The project site is owned by John Wittpenn (46%), Shirley Wittpenn (40%), Robert Wittpenn (8%) and three other children each own 2%. The project location is a vacant 14,000 sq. ft. building previously used to produce various lawn and garden products. Remedial Investigation activities are required which involves extensive soil excavation and disposal. The NJDEP has found this application technically eligible and has approved funding under N.J.S.A. 58:10B-Subsection 4.

APPROVAL REQUEST:

Approval is being requested for a \$155,122 loan from the HDSRF Loan Program.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: \$155,122

TERMS OF LOAN: Two years-Interest only payments. Principal will be repaid at maturity or upon sale of the property, whichever is earlier.

PROJECT COSTS:

Remedial Action	\$141,020
NJDEP oversight cost	\$14,102
EDA administrative cost	\$1,500
	<hr/>
TOTAL COSTS	\$156,622
	<hr/> <hr/>

APPROVAL OFFICER: T. Melton

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - HAZARDOUS DISCHARGE SITE REMEDIAT'N PROG PROGRAM**

APPLICANT: Wyckoff Cleaners, Inc.

P18268

PROJECT USER(S): Same as applicant

* - indicates relation to applicant

PROJECT LOCATION: 670 Wyckoff Avenue

Wyckoff Township (N)

Bergen

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND:

Wyckoff Cleaners, Inc ("Wyckoff") was incorporated in 1966 as the operating company of the project site consisting of a dry cleaners. Clifford J. Messaros is 100% owner of Wyckoff Cleaners, Inc and Wyckoff Rental Properties (real estate holding company). NJDEP has found the applicant's proposal for financial assistance to be technically eligible for supplemental funding in the amount of \$35,205 for NJDEP Oversight Cost Billing.

APPROVAL REQUEST:

Approval is requested for a \$35,205 Loan for the HDSRF Loan Program.

FINANCING SUMMARY:

LENDER: Hazardous Discharge Site Remediation Fund

AMOUNT OF LOAN: \$35,205

TERMS OF LOAN: Fixed at time of closing at the Federal Discount rate with a floor of 5%.
Five year term, five year amortization.

PROJECT COSTS:

NJDEP oversight cost	\$44,005
EDA administrative cost	\$1,500
TOTAL COSTS	\$45,505

APPROVAL OFFICER: T. Melton



TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

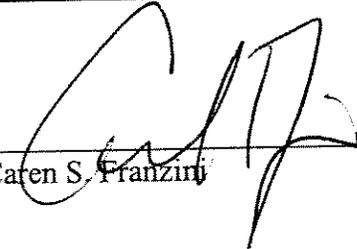
SUBJECT: Hazardous Discharge Site Remediation Fund - Delegated Authority Approvals
(For Informational Purposes Only)

Pursuant to the Board's approval on May 9, 2006, the Chief Executive Officer ("CEO") has been given the authority to approve initial grants under the Hazardous Discharge Site Remediation Fund and Petroleum Underground Storage Tank programs up to \$100,000 and supplemental grants up to an aggregate of \$100,000.

Below is a summary of the Delegated Authority approval processed by the Division of Program Services for the month of March 2007.

Applicant	Description	Grant Amount	Awarded to Date
Township of Monroe (Former American Training Site) P18078	Initial grant for remedial investigation activities. Project site to be redeveloped for open space and recreation.	\$34,606	\$34,606
Township of Monroe (Former Petro Kiryk Site) P18079	Initial grant for remedial investigation activities. Project site to be redeveloped for open space and recreation.	\$63,082	\$63,082
City of Pleasantville (109 Pennsylvania Avenue) / P17669	Supplemental grant for site investigation. Project to be redeveloped for commercial use.	\$6,215	\$14,590

City of Vineland (Snell Building) P17928	Initial grant for site investigation and remedial investigation activities. Project site to be redeveloped for commercial development.	\$67,127	\$67,127
4 Grants	Approved in March 2007	\$171,030	



 Caren S. Franzini

Prepared by: Lisa Petrizzi



BUSINESS EMPLOYMENT INCENTIVE PROGRAM

FORMULA EVALUATION

<u>Criteria</u>	<u>Score</u>
1. Location: Montvale Borough	N/A
2. Job Creation 210 Targeted : _____ Non-Targeted : <u> X </u>	4
3. Job at Risk: 0	0
4. Industry: Pharmaceuticals Designated : <u> X </u> Non-Designated : _____	2
5. Leverage: 3 to 1 and up	2
6. Capital Investment: \$20,600,000	3
7. Average Wage: \$ 80,000	4
TOTAL:	15

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

20 %

Total Bonus Points:

Total Score :

Total Score per formula:	15 = 45 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	70 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Franklin Electric Company

P18245

PROJECT LOCATION: 10 Twosome Drive

Moorestown Township (N) Burlington County

GOVERNOR'S INITIATIVES:

() NJ Urban Fund () Edison Innovation Fund (X) Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Franklin Electric Company (Franklin), founded in 1920, is a family owned business managed by the third generation, William T. Walker, III, grandson of the founder. The applicant is a full line stocking distributor of electrical supplies throughout the Delaware Valley, selling only on a wholesale basis. Franklin's customer base includes: commercial and industrial electrical contractors (50%), industrial plants for their maintenance supplies (35%), and OEM's which use the company's products in their manufacturing process (15%). The company is economically viable.

MATERIAL FACTOR:

Franklin is seeking a BEIP grant to support relocating 45 employees from its Philadelphia facility to New Jersey and creating 4 new jobs, for a total of 49 new jobs in New Jersey within two years. Management is estimating project cost to be \$3.1 million, including acquisition of a 44,000 s.f. modern facility. Under consideration as well is expanding to the Philadelphia Navy Yard. The applicant has been at its current site since 1920, when the company was started. Management has indicated that the award of the BEIP grant is a material factor in its decision to relocate its operations to New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 50%

TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Franklin Electric Company to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 424,508
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 45 Year 2 4 Base Years Total = 49

ANTICIPATED AVERAGE WAGES: \$63,186

ESTIMATED PROJECT COSTS: \$3,150,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$849,015

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$849,015

PROJECT IS: (X) Expansion (X) Relocation Philadelphia, PA

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: Pennsylvania

APPLICANT OWNERSHIP: (X) Domestic () Foreign

APPROVAL OFFICER: M. Krug

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Moorestown Township	N/A
2. Job Creation	49	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	wholesale	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$3,150,000	1
7. Average Wage:	\$ 63,186	3
TOTAL:		7

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

20 %

Total Bonus Points:

Total Score :

Total Score per formula:	7 = 25 %
Construction/Renovation :	5 %
Bonus Increases :	20 %
Total Score (not to exceed 80 %):	50 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Lodi CML Cooperative LLC

P18108

PROJECT LOCATION: Unit #5, 170 Gregg Street Lodi Borough (T/UA) Bergen County

GOVERNOR'S INITIATIVES:

(X) NJ Urban Fund () Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Lodi CML Cooperative LLC (Lodi CML) is a start up company, scheduled to begin operations in September of 2007. This business will be a manufacturing cooperative designed to create efficiencies in the production of donuts for approximately 60 retail Dunkin Donut franchises throughout northern New Jersey. The company will be headed by a team of owners/managers with an average experience of over seven years in the baked goods field. The lead managing partner has 15 years of experience. The facility will be a bakery employing approximately 61 people in the first two years of operations. The company will have contracts with retail outlets to manufacture donuts. Each retail outlet or co-op member shall determine the number, mix, and frequency of delivery of the bakery products to be delivered to the member's shop. Lodi CML is economically viable.

MATERIAL FACTOR:

Lodi CML is requesting a BEIP grant to support the start up of a manufacturing operation in Lodi, New Jersey. The other location under consideration is New York. Management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to start up within New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 70%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Lodi CML Cooperative LLC to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 149,561
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 41 Year 2 20 Base Years Total = 61

ANTICIPATED AVERAGE WAGES: \$22,513

ESTIMATED PROJECT COSTS: \$3,700,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$213,659

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$170,927

PROJECT IS: () Expansion () Relocation _____

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: (X) Domestic () Foreign

DEVELOPMENT OFFICER: R. Fischer **APPROVAL OFFICER:** K. DeLuca

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Lodi Borough	N/A
2. Job Creation	61	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	food products	0
	Designated : _____ Non-Designated : <u> X </u>	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$3,700,000	2
7. Average Wage:	\$ 22,513	1
TOTAL:		6

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	<u>20%</u>
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	<u>20%</u>
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

40 %

Total Bonus Points:

Total Score :

Total Score per formula:

6 = 25 %

Construction/Renovation :

5 %

Bonus Increases :

40 %

Total Score (not to exceed 80 %):

70 %

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
PROJECT SUMMARY - BUSINESS EMPLOYMENT INCENTIVE PROGRAM**

APPLICANT: Octapharma USA, Inc.

P18179

PROJECT LOCATION: Block 0, Lot 0

Locations Unknown (N) Unknown County

GOVERNOR'S INITIATIVES:

() NJ Urban Fund (X) Edison Innovation Fund () Core () Ready for Growth

APPLICANT BACKGROUND/ECONOMIC VIABILITY:

Octapharma USA, Inc. is a wholly owned United States subsidiary of Octapharma AG. Octapharma AG is headquartered in Switzerland, and has plasma fractionation facilities in five countries, research and development facilities in three countries, and sales and marketing offices in 23 countries, employing 1,500 employees worldwide. Octapharma USA, Inc. was incorporated in Virginia in 2003 to facilitate clinical trials and obtain licenses from the Federal Drug Administration ("FDA") for plasma derived therapeutics. Octapharma USA maintains compliance with FDA requirements for its plasma-derived therapeutics, marketing and selling these products throughout the United States once FDA licenses are issued. Octapharma USA has or is pursuing licenses for the following products: Octagam, an immunoglobulin; Wilate, a coagulation product used by hemophiliacs; Uniplas, a universal blood type plasma used for transfusion therapies; and Octaplex, a plasma therapy used to reverse blood thinning caused by blood thinning drugs, such as Coumadin and Warfarin. Octapharma AG, the parent of Octapharma USA, Inc., is economically viable.

MATERIAL FACTOR:

Octapharma USA is requesting a BEIP grant to support the relocation of its corporate headquarters currently in Virginia to a larger space before its next level of growth in licensed products and staff occurs. Locations under consideration are Virginia and New York. Management has indicated a favorable decision by the Authority to award the BEIP grant is a material factor in the applicant's decision to relocate to New Jersey.

APPROVAL REQUEST:

PERCENTAGE: 40%
TERM: 10 years

The Members of the Authority are asked to approve the proposed BEIP grant and award percentage to encourage Octapharma USA, Inc. to increase employment in New Jersey. The recommended award percentage is based on the company meeting the criteria as set forth on the attached Formula Evaluation and is contingent upon receipt by the Authority of evidence that the company has met said criteria to substantiate the recommended award percentage. If the criteria met by the company differs from that shown on the Formula Evaluation, the award percentage will be raised or lowered to reflect the award percentage that corresponds to the actual criteria that have been met.

TOTAL ESTIMATED GRANT AWARD OVER TERM OF GRANT: \$ 517,500
(not to exceed an average of \$50,000 per new employee over the term of the grant)

NJ EMPLOYMENT AT APPLICATION: 0

ELIGIBLE BEIP JOBS: Year 1 14 Year 2 11 Base Years Total = 25

ANTICIPATED AVERAGE WAGES: \$120,000

ESTIMATED PROJECT COSTS: \$1,600,000

ESTIMATED GROSS NEW STATE INCOME TAX - DURING 10 \$1,293,750

ESTIMATED NET NEW STATE INCOME TAX - DURING 15 \$1,423,125

PROJECT IS: () Expansion (X) Relocation Virginia

CONSTRUCTION: (X) Yes () No

PROJECT OWNERSHIP HEADQUARTERED IN: New Jersey

APPLICANT OWNERSHIP: () Domestic (X) Foreign Switzerland

APPROVAL OFFICER: K. DeLuca

FORMULA EVALUATION

<u>Criteria</u>		<u>Score</u>
1. Location:	Locations Unknown	N/A
2. Job Creation	25	1
	Targeted : _____ Non-Targeted : <u> X </u>	
3. Job at Risk:	0	0
4. Industry:	Pharmaceuticals	2
	Designated : <u> X </u> Non-Designated : _____	
5. Leverage:	3 to 1 and up	2
6. Capital Investment:	\$1,600,000	1
7. Average Wage:	\$ 120,000	4
TOTAL:		10

Bonus Increases (up to 80%):

Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan	20%	_____
Located in Planning Area 1 or 2 of the State's Development and Redevelopment Plan AND creation of 500 or more jobs	30%	_____
Located in a former Urban Coordinating Council or other distressed municipality as defined by Department of Community Affairs	20%	_____
Located in a brownfield site (defined as the first occupants of the site after issuance of a new no-further action letter)	20%	_____
Located in a center designated by the State Planning Commission, or in a municipality with an endorsed plan	15%	_____
10% or more of the employees of the business receive a qualified transportation fringe of \$ 30.00 or greater.	15%	_____
Located in an area designated by the locality as an "area in need of redevelopment"	10%	_____
Jobs-creating development is linked with housing production or renovation (market or affordable) utilizing at least 25% of total buildable area of the site	10%	_____
Company is within 5 miles of and working cooperatively with a public or non-profit university on research and development	10%	_____

0 %

Total Bonus Points:

Total Score :

Total Score per formula:	10 = 35 %
Construction/Renovation :	5 %
Bonus Increases :	0 %
Total Score (not to exceed 80 %):	40 %





MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

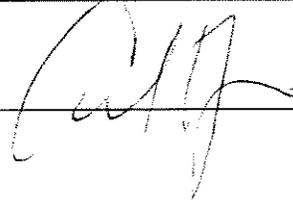
DATE: April 10, 2007

SUBJECT: Business Employment Incentive Program (BEIP) Modifications
(For Informational Purposes Only)

On September 11, 2001 and amended on September 16, 2003, the Members of the Authority approved a delegation of authority to the Chief Executive Officer with the Senior Vice President-Programs or Director-Business and Community Lending to approve certain BEIP modifications. All modifications must be reported to the Members of the Authority on a quarterly basis. Below is a list of all BEIP modifications that were approved in the quarter ending March 31, 2007:

<u>Name</u>	<u>Application #</u>	<u>Modification</u>
Comcast Business Communications, Inc.	P12716	Decrease in the New Employment Commitment from 528 to 460. Decrease in grant award from 80% to 70%
First Brokers Holdings Inc.	P13784	Added ICAP Services North America LLC to the grant.
Hapag-Lloyd (America) Inc.	P17206	Project location changed to 377 Hoes Lane, Piscataway Township, Middlesex County, New Jersey
ICAP North America, Inc.	P13703	Added ICAP Services North America LLC to the grant.
Knight Equity Markets, L.P.	P12274	Decrease in the New Employment Commitment from 69 to 56.
Mizuho Corporate Bank, Ltd..	P14053	Decrease in the New Employment Commitment from 357 to 236.

Mizuho Securities USA Inc.	P13752	Decrease in the New Employment Commitment from 84 to 34. Decrease in grant award percentage from 70% to 65%.
Morgan Stanley Dean Witter Trust FSB	P12746	Decrease in the New Employment Commitment from 95 to 78.
National Exchange Carrier Association, Inc./NECA Services Inc.	P153271	Deletion of National Exchange Carrier Association, Inc. from the grant. Name change from NECA Services Inc. to Solix Inc .
Pearson Education, Inc. and Affiliates	P13103	Decrease in the New Employment Commitment from 307 to 197. Decrease in grant award percentage from 60% to 55%.
Verizon New Jersey Inc and Verizon Services Corp..	P14286	Decrease in the New Employment Commitment from 188 to 160.



Prepared by: C. Craddock



BOARD MEMORANDUMS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 10, 2007

SUBJECT: American Sensor Technologies, Inc.
450 Clark Drive, Mount Olive, Morris County, NJ
P17742

Modification Request:

The Members of the Authority are requested to provide consent to a \$500,000 increase in the applicant's line of credit with Bank of America. In addition, we are re-instating the Authority's \$500,000 (25%) participation and 30% four year guarantee of principal outstanding not to exceed \$450,000 in the Bank of America loan of \$2,000,000. The Authority and the Bank's funding commitments have not been accepted due to the customer's continued negotiations with the mezzanine lender as well as their recent request of Bank of America to provide \$500,000 in additional credit (under a working capital line) to support anticipated growth.

Background:

On November 14, 2006, the Members of the Authority approved the \$500,000 participation and \$450,000 guarantee of a \$2 million loan from Bank of America under the Statewide Loan Pool Program. Bank of America will also provide a \$500,000 term loan and a \$1.5 million line of credit (includes an increase of \$500,000 approved 3/07) to complete the funding necessary to repay the mezzanine lender and meet the anticipated needs of the customer over the next few years.

American Sensor Technologies, Inc. ("AST"), established in 1997 by Richard Tasker, Karmjit Sidhu and Michael Eldredge, designs and manufactures high quality, micro machined, bulk silicon strain gauges and industrial pressure sensors that assure accuracy and reliability. The

company's measurement sensors are used by industrial OEMs in hydraulic systems, fuel cells, medical gases, HVAC, refrigeration and oil and gas exploration.

On May 31, 2005, AST completed the purchase of 99% of the stock of Howard A. Schaevitz Technologies, Inc. d/b/a Macro Sensors located in Pennsauken, NJ. \$3 million in mezzanine financing (interest only for five years at 13% from Main Street Mezzanine) was borrowed for this acquisition (along with \$400,000 in equity and a \$800,000 seller note) and the proposed financing is refinancing this debt.

Recommendation:

Due to the \$500,000 increase in the line of credit from Bank of America, the Authority's collateral position has been impaired. It should be noted that at the time of the original approval, it was not anticipated that there would be any collateral that would provide significant value. Based on adequate cash flow, collateral, and strong public purpose, the approval of a \$500,000 Authority participation and \$450,000 guarantee is recommended.



Prepared by: Michael A. Conte



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

SUBJECT: Foundry Street Development, LLC
221 Foundry St.
Newark, NJ
P 16024
Aggregate Exposure: **\$636,000**

Modification Request:

Borrower is requesting a maturity date extension from 02/01/07 to 02/01/09 due to additional environmental work needed on the site and No Further Action (NFA) not having been issued yet by the NJDEP. Upon completion of remediation, the property will be sold and the loan will be paid in full. Additionally, staff recommends to stipulate repayment based upon 2-year term, 10-year amortization at a fixed rate of 5%.

Background:

Foundry Street Development, LLC ("Foundry") was set up to acquire, remediate and position for reuse a 6-acre site that was formerly used by Ashland Chemical Company. In 2004, EDA provided a \$636,000 HDSRF loan to partially fund environmental expenses. The loan is secured with the first mortgage on the subject property, assignment of Brownfields Reimbursement Agreement and personal guarantees from the owners. Total project costs were estimated at \$1,264,000. Owners contributed \$628,000 towards the project.

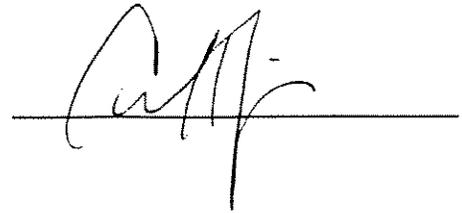
It was estimated that the NFA would be received in 2 years, therefore the loan was structured with 2 years interest only payments and principal repayment due at the time of the property sale or at

maturity, whichever occurred earlier. Foundry deposited \$63,680 into an interest reserve account with the EDA for interest payments during the term of the loan.

At present, remediation has not been completed and additional environmental work is still needed on site. The NJDEP has recommended extending the term of the loan to allow completion of property clean up. Foundry anticipates to complete remediation within 2 years, however due to recent delays and increase in the scope of remediation, the borrower is asking to extend the maturity of the loan to 02/01/09.

Recommendation:

It is recommended EDA extend the term of the HDSRF loan for 2 years from 02/01/07 to 02/01/09 and stipulate repayment terms based upon 2-year term, 10-year amortization at a fixed rate of 5%, with full pay off at the time of the property sale or at maturity, whichever occurs earlier.

A handwritten signature in black ink, appearing to be 'C. M. J.', is written over a horizontal line.

Prepared by: Natalia Nagovsky



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

SUBJECT: Independence Realty Group, LLC
P17957
1071-1073 West Route 40
Carneys Point Township, Salem County, New Jersey

Modification Request:

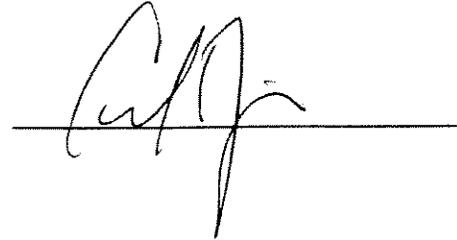
Approval is requested to modify the approval for a \$250,000 Authority participation in a \$650,000 loan from The Bank to a \$120,000 Direct Loan. The project property appraised for \$600,000 vs. the \$812,500 required by the Bank and the Authority, and consent to the lower value is requested.

Background:

On March 13, 2007, the Authority approved a \$650,000 bank loan with a \$250,000 (38.5%) Authority participation to Independence Realty Group "(IRG)". The financing had a ten year term, 5 year call option, and payments based on a 20 year amortization. IRG was formed by Otis and Susan Sistrunk to acquire an existing dairy bar and short order restaurant that has been in operation for 50 years. For personal reasons, the family agreed to sell the business and real estate for \$765,000. The purchase was to be financed as shown below. However, with the lower appraisal, the Bank reduced its loan to maintain a LTV of 80% based, and asked the Authority to extend second mortgage loan of \$120,000. The Bank has agreed to provide a third position loan for the \$50,000 balance.

Recommendation:

Approval of a \$120,000 direct loan is recommended based on the historical debt service coverage of the proposed loan, the location and track record of Olympia Dairy Bar, the training from the current owners, and satisfactory collateral coverage. Authority assistance will promote the creation of two new jobs in a targeted community and support a minority and woman-owned business in a disadvantaged, rural area of Salem County. Finally, the Authority's assistance in the loan will support the ongoing development of the business relationship with The Bank, which has been growing with an active flow of referrals.

A handwritten signature in black ink, appearing to be 'DTW', is written over a horizontal line. The signature is stylized and cursive.

Prepared by: Daniel T. Weick, Sr. Credit Underwriter



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

SUBJECT: WHIBCO, Inc.
87 East Commerce St.
Bridgeton, NJ
P09399, P14037, P15246, P15251
Balance/Maturity:

\$493,791 HUD loan, matures 07/01/08;
\$135,652 direct loan, matures 07/01/09;
\$ 87,996 guarantee, expires 12/01/08;
\$449,167 HUD 108 loan, matures 01/01/10;
\$1,166,606

Aggregate Exposure:

Proposal:

Accept a reduced payment of litigation settlement proceeds from 50% to 33% and allow borrower to retain the remainder for working capital needs.

Background:

WHIBCO, the nation's oldest sand foundry, was founded in 1841 and is owned by the Sjogren family who have owned and operated it since 1987. It produces industrial sand and gravel mined from 17,000 acres in the United States, of which 1,800 are centered on 7 mining sites in Cumberland County. Other sites are located in South Carolina, Massachusetts and New York. Over the past 10 years, the EDA has assisted WHIBCO by providing a \$2,740,000 stand alone bond, a \$660,000 HUD loan, and a \$360,000 direct loan to support the company's working capital and equipment needs.

Most recently in 2003, EDA provided additional assistance when WHIBCO changed its banking relationship from Commerce Bank to Sun National Bank. The EDA provided a 19.53% guarantee

of a Sun National Bank mortgage of \$1,925,000 and provided a \$525,000 HUD loan to refinance part of Commerce Bank's exposure.

At the time of loan approval, the borrower was in litigation with Twinkle Company, the manufacturer of a dredge system. One of the conditions of EDA's loan was a requirement to share any settlement proceeds 50/50 with the Authority to reduce the principal amount of the Authority's loans.

In July 2004, \$11,000,000 judgment was entered in WHIBCO's favor against Twinkle Company. WHIBCO's counsel advised the company to settle with Twinkle for \$750,000 due to Twinkle's declining financial condition and a probability of bankruptcy filing. Although WHIBCO won its case, the company incurred legal fees of \$146,000 related to the litigation, and was required to make \$493,000 in capital improvements to the dredge. In addition, anticipated revenues fell short due to the dredge's inadequate performance and operating costs increased by \$835,000. As a result, WHIBCO incurred a net loss of \$160,000 in 2006 and negative cash flows from operations over the past three years. WHIBCO has been financing operations by selling land.

The company, while acknowledging that EDA is owed 50% of the settlement, is requesting that EDA considered a reduced settlement to 33%. Approval of this request will allow the company to retain \$125,000 to defray costs associated with the litigation and provide working capital to support current operations.

Recommendation:

Staff recommends accepting 33% of settlement (\$250,000) versus the previously required 50% of settlement (\$375,000). The funds would be applied to reduce Authority exposure and the remaining proceeds will provide needed working capital to the borrower.



Prepared by: Natalia Nagovsky



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini, Chief Executive Officer

DATE: April 10, 2007

SUBJECT: Projects Approved Under Delegated Authority
For Informational Purposes Only

The following projects were approved under delegated authority in March 2007:

New Jersey Business Growth Fund:

- 1) 500 South Kings Highway LLC (P18166) is located in Cherry Hill Township, Camden County. The company was formed in 2004 as a real estate holding company to purchase and own the real property to be financed. Becica Associates, LLC is the sole lessor of the facility and operates as an architecture/construction company. PNC has approved a \$875,000 bank loan with a 25% (\$218,750) five year guarantee. Proceeds will be used to refinance real estate. The company currently has 11 jobs and anticipates creating an additional five jobs within two years.
- 2) CAP Services Inc. (P18111) is located in Belleville Township, Essex County. The company was formed in 2003 and operates as a demolition contracting company. PNC has approved a \$246,127 bank loan with a 25% (\$61,532) five year guarantee. Proceeds will be used for the purchase of machinery and equipment. The company currently has 21 jobs and anticipates creating an additional six jobs within two years.
- 3) KPMC, Inc. (P18161) is located in Trenton, Mercer County. The company was formed in 1989 as a contract machine shop that manufacturers high precision parts for the electronics, pharmaceuticals, sports and semiconductor industries. PNC has approved a \$600,000 bank loan with a 25% (\$150,000) five year guarantee. Proceeds will be used for the refinance of equipment. The company currently has 14 jobs and anticipates creating an additional two jobs within two years.

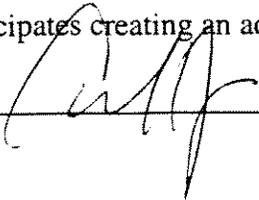
- 4) New Swat, Inc. (P18142) is located in Woodbury City, Gloucester County. The company was formed in 1998 as a fast food style restaurant that primarily serves fried chicken and ribs. PNC has approved a \$170,000 bank loan with a 25% (\$42,500) five year guarantee. Proceeds will be used to purchase real estate. The company currently has six employees and anticipates creating an additional four jobs within two years.
- 5) Recycle Inc., East (P18242) is located in South Plainfield Borough, Middlesex County. The company was formed in 1985 as a full service steel and plastic industrial container/drum management company. PNC has approved a \$1,347,500 bank loan with a 50% (\$673,750) five year guarantee. Proceeds will be used to purchase equipment and machinery. The company currently has 75 employees and anticipates creating an additional 10 employees.
- 6) Skyview Farms, LLC (P18182) is located in Frenchtown Borough, Hunterdon County. The company was formed in 1997 as a multi-generational farm that specializes in growing and converting wheat into hay bales for purchase. PNC has approved a \$147,807 bank loan with a 25% (\$36,952) five year guarantee. Proceeds will be used for the purchase of machinery and equipment. The company currently has two employees.

Preferred Lender Program:

- 1) Jersey Partners, LLC (P18143) is located in West Paterson Borough, Passaic Township. The company was formed in 1984 as a provider of roofing and siding services for commercial and residential properties. Sun National Bank has approved a \$1,360,000 bank loan with a 50% (\$680,000) Authority participation for the acquisition of a building. The company currently has 17 employees and anticipates creating an additional 14 jobs within two years.

Edison Innovation Fund Program:

- 1) Innovation Engineering, Inc. is located in Mount Laurel Township, Burlington County. The company was formed in 2003 and designs and manufactures advanced ratio frequency delivery systems. The NJEDA has approved a \$200,000 loan under the Edison Innovation Fund. The company currently has six employees and anticipates creating an additional 11 jobs within two years.



Prepared by: S. Mania



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

DATE: April 10, 2007

RE: Subordination Policy on Edison Innovation Fund Investments

Request:

The Members are asked to consent to expanding the subordination policy from 'subordinate in lien position on collateral' to include up to a 120 day subordinate in payment period in the event of payment default on Edison Innovation Fund investments when requested by Senior Lenders partnering in these transactions. Expansion of the current policy will provide flexibility to close currently approved as well as future transactions and will encourage collaborative negotiations between the Senior Lender, EDA and technology company in the event of a payment default situation.

Background:

EDA makes investments in technology companies in support of the Governor's Strategic Plan to encourage and support advances in new or emerging technologies.

As with our other programs that have financial exposure to EDA, these investments are underwritten under guidelines to identify and minimize risk to the Authority. EDA also takes warrant positions on stock to allow us to share in the upside potential of these companies should the technology be successful at a later date.

In many of our Edison transactions EDA provides a stand alone investment to these companies until they are in a position to raise capital from outside sources. In some transactions, however, EDA is asked to partner with a bank or other investment source that provides senior debt to these companies. While EDA is often subordinate in these transactions, historically our subordinate position has been limited to 'subordinate lien position on collateral'.

As EDA is striving to become a more active player in this market and is expanding its business relationships with existing technology venture banks, we are being asked to be more flexible with our terms on these investments.

Specifically, EDA is being asked by a key technology lender to subordinate both its lien position on the collateral assets and be subordinate in payment on our investment in the event of a payment default by the technology company on its obligation to the bank.

This request has caused Staff to look at our current subordination policy and identify ways we can provide more flexibility in general to support these technology businesses while forging strategic alliances with technology banks.

To meet those objectives, Staff is proposing an expanded subordination policy for Edison Innovation investments that will be considered on a case by case basis when required by the Senior Lender as critical to closing the deal. To protect our interests, EDA will only agree to be subordinate in payment if the company is in payment default with the bank and will limit the subordination or "standstill" period of up to 120 days.

This limited standstill period will allow the Senior Lender to work with customer while discouraging the bank from pursuing an adversarial strategy like collateral liquidation that would put the company out of business and diminish EDA's likelihood of recovery. A subordination period of up to 120 days would also allow EDA to work with the Bank to collaboratively support the Company.

Recommendation:

Staff recommends expanding the current subordination policy to include a subordinate in payment standstill period of up to 120 days in the event of payment default by the company on its senior bank loan when requested by a Senior Lender in Edison Innovation Fund investment projects. Consent of this expanded subordination policy by the Members will facilitate closings on projects currently approved and future investments anticipated under this program.



Caren S. Franzini

Prepared by: Kathleen Coviello and Lisa Coane



REAL ESTATE



MEMORANDUM

TO: Members of the Authority

FROM: Caren S. Franzini
Chief Executive Officer

RE: Technology Centre of New Jersey
Amendment to Payment in Lieu of Tax Agreement with North Brunswick
Township

DATE: April 10, 2007

Summary

I am requesting the Members' approval to amend the existing Payment in Lieu of Tax ("PILOT") Agreement with the Township of North Brunswick. The amendment will revise the PILOT rates for each tenant at the Technology Centre of New Jersey.

Background

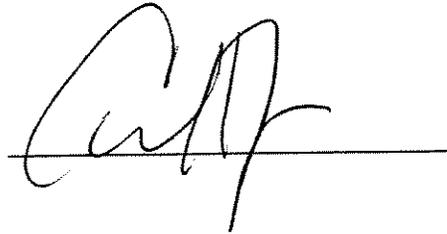
Authority staff has been in discussions with the Township regarding the PILOT rates for 2006, 2007 and 2008. However, as the PILOT is an obligation of the tenants and not the Authority, each proposed rate must be approved by the respective tenant. The Authority will not amend the PILOT until all tenants accept their recalculated rate in writing. The only exception is the Commercialization Centre for Innovative Technology. This facility's tenants have executed gross leases which include PILOT payments; accordingly, the cost of any increased PILOT will be borne by the Authority as the landlord. The proposed rates for the Commercialization Centre are in line with staff's expectations and our 2007 approved budget.

Attached is the schedule of proposed PILOT rates for 2006, 2007 and 2008. These PILOT rates are based on the level of improvements in each facility.

The attached Third Amendment to Agreement is in substantial final form. The final document may be subject to revision, although the basic terms and conditions will remain consistent with those in the attachment. The final terms of the Third Amendment will be subject to the approval of the Chief Executive Officer and the Attorney General's Office.

Recommendation

In summary, I am requesting the Members' approval to amend the existing PILOT Agreement with the Township as described above and on the attached sheet, and to make all other changes necessary to carry out this transaction on terms acceptable to the Chief Executive Officer and the Attorney General's Office.

A handwritten signature in black ink, appearing to be 'C. Sullivan', is written over a horizontal line.

Prepared By: Donna T. Sullivan

<u>Block/Lot</u>	<u>Building ID</u>	<u>Tenant</u>	<u>Area Leased/SF</u>	<u>Property Use</u>	<u>2006 Pilot Payments</u>	<u>2007 Pilot Payments</u>	<u>2008 Pilot Payments</u>
194 / 28	Tech I	Merial	60,116	Office/Lab	382,755	401,893	421,988
194 / 28	Computer Ctr.	Chubb	31,945	Office	157,165	165,023	173,274
194 / 28	Tech II	Cambrex	42,000	Office/Lab	187,188	196,547	206,374
		Shell Space	10,000	Office/Lab	90,000	94,500	99,225
		Medpoint	18,000		817,108	857,963	900,861
			70,000				
194 / 20	Tech III	Chromocell	123	Office	646	678	712
		Chromocell	123	Office	646	678	712
		Genewiz	1,000	Lab	5,250	5,513	5,789
		Genewiz	1,000	Lab	5,250	5,513	5,789
		Advaxis	123	Office	646	678	712
		Sophion	123	Office	646	678	712
		Genewiz	1,000	Lab	5,250	5,513	5,789
		Genewiz	1,000	Lab	5,250	5,513	5,789
		Maxy Bio	1,000	Office	5,250	5,513	5,789
		Izun Pharm	1,000	Office	5,250	5,513	5,789
		Orthocon	1,000	Lab	5,250	5,513	5,789
		Time & Cross	1,000	Lab	5,250	5,513	5,789
		Ennova	1,000	Lab	5,250	5,513	5,789
		Ennova	1,000	Lab	5,250	5,513	5,789
		Ennova	1,000	Lab	5,250	5,513	5,789
		Ennova	655	Office	3,439	3,611	3,792
		Vacant	1,000	Lab	0	0	0
			39,147		63,773	66,966	70,319
194 / 20	Sublease	Provid	3,937	Lab	20,669	21,702	22,787
194 / 20	CCIT	Sophion	800	Office	4,200	4,410	4,631
		Advaxis	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Vincogen	800	Lab	4,200	4,410	4,631
		Semorex	800	Lab	4,200	4,410	4,631
		Profact	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Chromocell	800	Lab	4,200	4,410	4,631
		Vacant	4,000	Lab	0	0	0
			13,600		50,400	52,920	55,572
194 / 20	CCIT & Expansion		13,600	Lab	71,400	74,970	78,719
	Tech III	Novo	32,646	Lab/Office	179,553	188,531	197,958

