

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

February 14, 2006

MINUTES OF THE MEETING

Members of the Authority present: Secretary Bauer of the NJ Commerce, Economic Growth and Tourism Commission; Bob Smartt, representing the State Treasurer; Joseph Latoof representing the Commissioner of the Department of Labor and Workforce Development; Michael Sheridan representing the Commissioner of the Department of Banking and Insurance; Bernie Piaia representing the Commissioner of Education; Timothy Carden, Carlos A. Medina, Charles Sarlo, Stephen Morgan, Steve Plofker, and Philip Kirschner, Public Members; Raymond Burke and Cecil House, Alternate Public Members; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Joseph McNamara, Vice Chairman; and Jack Kocsis, Jr., Public Member.

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

Secretary Bauer called the meeting to order at 10:03.

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 January 10, 2006 meeting minutes of the Board. A motion was made to approve the minutes by Mr. House, seconded by Mr. Kirschner 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)**

Mr. Piaia entered the meeting at this time.

BOND RESOLUTIONS

PROJECT: Allies, Inc. **APPL.#17042**
LOCATION: Hamilton Twp./Mercer Cty. **BUSINESS:** Not for profit service provider
for the disabled
PROCEEDS FOR: refinancing
FINANCING: \$1,750,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: The Calais School **APPL.#16992**
LOCATION: Hanover Twp./Morris Cty. **BUSINESS:** Not for profit school for
special needs children
PROCEEDS FOR: bldg. constr. & renov./road constr.
FINANCING: \$5,300,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Medina **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Hopper Technology Center LLC for the benefit **APPL.#16964**
of Nexcore Technology, Inc.
LOCATION: Waldwick Boro./Bergen Cty. **BUSINESS:** Equipment manufacturer
PROCEEDS FOR: bldg. acqui. & renov.
FINANCING: \$2,540,000 Series A Tax-exempt bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. House **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Nexcore Technology, Inc. **APPL.#17098**
LOCATION: Waldwick Boro./Bergen Cty. **BUSINESS:** Equipment Manufacturer
PROCEEDS FOR: equip. purch.
FINANCING: \$150,000 Series B Tax-exempt
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Marina Energy, LLC
LOCATION: Atlantic City/Atlantic Cty.

APPL.#16508

BUSINESS: Operator of energy-related enterprises

PROCEEDS FOR: equip. purch./road constr.

FINANCING: \$18,000,000 Tax-exempt

MOTION TO APPROVE: Mr. Kirschner

SECOND: Mr. Latoof

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 5

PROJECT: The Rock Brook School, Inc.
LOCATION: Montgomery Twp./Somerset Cty.
PROCEEDS FOR: bldg. constr./equip. purch.
FINANCING: \$1,300,000 Tax-exempt

APPL.#16849

BUSINESS: Not-for-profit school

PROJECT: The Rock Brook School, Inc.
LOCATION: Montgomery Twp./Somerset Cty.
PROCEEDS FOR: refunding
FINANCING: \$1,100,000 Tax-exempt
MOTION TO APPROVE: Mr. Piaia
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

APPL.#16921

BUSINESS: Not-for-profit school

SECOND: Mr. Sheridan

AYES: 13

PROJECT: South Jersey Gas Company
LOCATION: Various/Variou

APPL.#16688

BUSINESS: Exempt public facility - Gas company

PROCEEDS FOR: road constr.

FINANCING: \$50,000,000 Tax-exempt (max)

MOTION TO APPROVE: Mr. Carden

SECOND: Mr. Plofker

AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 7

Mr. House abstained because his employer, PSE&G is a competitor.

AMENDED BOND RESOLUTIONS

PROJECT: Clearwater Lane LLC and SnowBird Corp.

APPL.#10369 & 9972

LOCATION: Jersey City/Hudson Cty.

BUSINESS: Mfr. of bottled water

AMENDED RESOLUTION TO: amend the bond documents to provide for change in the interest rate from variable rate to fixed rate bonds.

MOTION TO APPROVE: Mr. Sheridan

SECOND: Mr. Piaia

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PROJECT: Seton Company and Seton Acquisition Incorporated **APPL.#15244**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Mfr. of leather products
AMENDED RESOLUTION TO: the Bond Documents to change the interest rate on the Bond and to amend certain other financial covenants.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: Princeton Junior School, Inc. **APPL.#17047**
LOCATION: Lawrence Twp./Mercer Cty. **BUSINESS:** Not-for-profit preschool
AMENDED RESOLUTION TO: advance refund the principal balance of an existing tax-exempt bond.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 10
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Passaic Hebrew Institute for the benefit of YBH of Passaic-Hillel **APPL.#16896**
LOCATION: Passaic City/Passaic Cty. **BUSINESS:** Not-for-profit Jewish day school
PROCEEDS FOR: refinancing
FINANCING: \$6,600,000 Tax-exempt bond (max)
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

PROJECT: Stevens Cooperative School **APPL.#17074**
LOCATION: Hoboken City/Hudson Cty. **BUSINESS:** Not-for-profit school
PROCEEDS FOR: refinancing
FINANCING: \$800,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 12
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: M & A Holdings, LLC d/b/a Camden Yards Steel Co. **APPL.#17122**
LOCATION: Camden City/Camden Cty. **BUSINESS:** Mfr. of steel
PROCEEDS FOR: equip. purch.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Pennsauken Senior Living, LLC
LOCATION: Pennsauken Twp./Camden Cty.
PROCEEDS FOR: bldg. acqui. & renov.
MOTION TO APPROVE: Mr. Piaia
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

APPL.#17119
BUSINESS: Const./Mgt. of Senior housing
SECOND: Mr. Sheridan
AYES: 13

PROJECT: YMCA of Camden County, NJ
LOCATION: Various/Variou
PROCEEDS FOR: bldg. renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

APPL.#17096
BUSINESS: Not-for-profit social services
SECOND: Mr. Plofker
AYES: 13

PUBLIC HEARING ONLY

PROJECT: The Acorn Montessori School Inc.
LOCATION: Clinton Twp./Hunterdon Cty.

APPL.#16457
BUSINESS: Not-for-profit co-educational
Montessori school

PROCEEDS FOR: bldg. acqui.
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Cornucopia Cruise Line, Inc.
LOCATION: Perth Amboy City/Middlesex Cty.
PROCEEDS FOR: equip. purch./land purch.
FINANCING: \$3,364,543 Bank loan with a \$500,000 (14.9%) Authority participation
MOTION TO APPROVE: Mr. Sheridan
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

APPL.#16955
BUSINESS: Dinner cruise business
SECOND: Mr. Latoof
AYES: 13

PETROLEUM UNDERGROUND STORAGE TANK LOAN PROGRAM

The following projects presented were grants under the NJDEP Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund Program.

MOTION TO APPROVE: Mr. Piaia
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

SECOND: Mr. Carden
AYES: 13

PROJECT: Kathleen Baran
LOCATION: Linden City/Union Cty.
PROCEEDS FOR: site remediation
FINANCING: \$13,986 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

APPL.#17049

PROJECT: Walter Brower **APPL.#16967**
LOCATION: Pennington Boro./Mercer Cty.
PROCEEDS FOR: site remediation
FINANCING: \$10,587 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Lia Bruschi **APPL.#17050**
LOCATION: Trenton City/Mercer Cty.
PROCEEDS FOR: site remediation
FINANCING: \$4,858 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: William Chelak **APPL.#16930**
LOCATION: Carteret Boro./Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$8,080 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Brian Collier and Naomi Collier **APPL.#17035**
LOCATION: Hawthorne Boro./Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: \$7,700 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Peter Comtois **APPL.#17016**
LOCATION: Glen Ridge Boro./Essex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$8,830 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Christopher Czech and Margaret Czech **APPL.#16942**
LOCATION: Beachwood Boro./Ocean Cty.
PROCEEDS FOR: site remediation
FINANCING: \$5,563 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Peter Flood and Evelyn Flood **APPL.#17048**
LOCATION: Paramus Boro./Bergen Cty.
PROCEEDS FOR: site remediation
FINANCING: \$6,792 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Matthew Hirsch and Mary Ann Hirsch **APPL.#16933**
LOCATION: Linden City/Union Cty.
PROCEEDS FOR: site remediation
FINANCING: \$8,916 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Salvatore Ingallinera and Barbara Ingallinera **APPL.#17005**
LOCATION: Newton Town/Sussex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$13,341 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Rosa Joao **APPL.#16661**
LOCATION: Elizabeth City/Union Cty.
PROCEEDS FOR: site remediation
FINANCING: \$77,494 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Leonard Keenan and Jane Keenan **APPL.#17051**
LOCATION: Barrington Boro./Camden Cty.
PROCEEDS FOR: site remediation
FINANCING: \$2,454 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Edward Opel and Janet Opel **APPL.#16950**
LOCATION: Brick Twp./Ocean Cty.
PROCEEDS FOR: site remediation
FINANCING: \$20,124 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Kathryn Pentony **APPL.#17056**
LOCATION: Chatham Boro./Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: \$6,541 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Marie Ross and Joan Borek **APPL.#16776**
LOCATION: Berlin Twp./Camden Cty.
PROCEEDS FOR: site remediation
FINANCING: \$34,126 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Marc Seidel and Elaine Seidel **APPL.#17008**
LOCATION: Barnegat Twp./Ocean Cty.
PROCEEDS FOR: site remediation
FINANCING: \$11,641 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

The next item was the Petroleum Underground Storage Tank program's delegated authority approvals. **(For Informational Purposes Only.)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following project presented was a grant under the Hazardous Discharge Site Remediation Fund Program.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

PROJECT: J & N Associates **APPL.#16604**
LOCATION: Vineland City/Cumberland Cty.
PROCEEDS FOR: site remediation
FINANCING: \$27,789 NJDEP Hazardous Discharge Site Remediation 50% Innocent party grant

The following project presented was a loan under the Hazardous Discharge Site Remediation Fund Program.

PROJECT: Nanak Auto Fuel, Inc. **APPL.#16719**
LOCATION: Woolwich Twp./Gloucester Cty.
PROCEEDS FOR: site remediation
FINANCING: \$532,747 NJDEP Hazardous Discharge Site Remediation Fund loan

TECHNIUM TECHNOLOGY RESOURCES PROGRAM

The next item was the Technium Operating Procedure Memo. **(For Informational Purposes Only).**

Mr. Smartt left the meeting at this time.

PROJECT: Juvent, Inc. **APPL.#17068**
LOCATION: Franklin Twp./Somerset Cty. **BUSINESS:** Medical device company
PROCEEDS FOR: working capital
FINANCING: \$1,000,000 Technium Investment
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Morgan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

Mr. Smartt returned to the meeting at this time.

PROJECT: Trend Integration, LLC
LOCATION: Cherry Hill Twp./Camden Cty.

APPL.#16894
BUSINESS: Emergent stage technology company

PROCEEDS FOR: working capital
FINANCING: \$750,000 Technium Investment

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Medina **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

The next item was the approval of up to \$2,000,000 from the Technium set aside to deploy for the proposed lease guarantee.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

The next item was the consent to the extension of the life of the Edison III Venture Fund from January 31, 2006 to December 31, 2007.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 22

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: CVS Inc.

APPL.#17087

LOCATION: Lumberton Twp./Burlington Cty. **BUSINESS:** Pharmacy/retail store

GRANT AWARD: 40% Business Employment Incentive grant, 10 years

This matter has been held from consideration.

PROJECT: Kirusa Inc.

APPL.#17086

LOCATION: TBD/TBD

BUSINESS: Developer of multimodal wireless platforms

GRANT AWARD: 30% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. House **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 23

PROJECT: Metropolitan Life Insurance Company & Affiliates **APPL.#17101**

LOCATION: TBD/TBD

BUSINESS: Life insurance company

GRANT AWARD: 45% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Morgan **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 23

PROJECT: Viewpointe Archive Services, L.L.C.

APPL.#17070

LOCATION: Parsippany-Troy Hills Twp./Morris Cty. **BUSINESS:** Digital check and document imaging provider

GRANT AWARD: 70% Business Employment Incentive grant, 10 years

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 23

BOARD MEMORANDUMS

The next item was the approval of the following changes to the Preferred Lender Program: change the amount of Authority exposure to be consistent with regulations; maximum allowable term and amortization; minimum debt service coverage will be 1.1x, and global debt service will be allowed on loans \$500,000 and less, maximum of 100% loan to value using real estate and machinery & equipment; and add NorthFork Bank and New Jersey Community Capital as preferred lenders.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 24

The next item was the approval of a commitment of \$170,625 for the Business Mentoring Program for 2006.

MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Morgan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 25

The next item was the approval of the proposed rule amendment regarding the rate for loans under the New Markets Tax Credit program that will be fixed at three percent and will be interest only for at least the first seven years of the term of the loan and authorize its submission to the Office of Administrative Law for publication in the New Jersey Register, subject to review and approval by the Office of the Attorney General and final comment by the Office of Administrative Law.

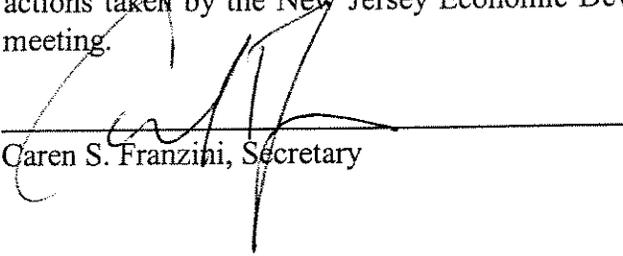
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. House **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 26

PUBLIC COMMENT

There was no comment from the public.

There being no further business on a motion by Mr. Piaia, and seconded by Mr. House, the meeting was adjourned at 11:12.

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