

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

March 14, 2006

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; 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, Steve Plofker, and Philip Kirschner, Public Members; Raymond Burke, Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: 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.

Chairman Van Horn 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.

Ms. Franzini welcomed Mr. Van Horn as the new Chairman of the Board. Mr. Van Horn stated he was honored to be asked by the Governor to lead the Board and expressed his enthusiasm for working together with the Members and the Authority staff in a strategic way that supports the Governor's goals for growing New Jersey's economy.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the February 14, 2006 meeting minutes of the Board. A motion was made to approve the minutes by Mr. McNamara, seconded by Mr. Carden 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: The Acorn Montessori School Inc. **APPL.#16457**
LOCATION: Clinton Twp./Hunterdon Cty. **BUSINESS:** Not-for-profit co-educational
Montessori school
PROCEEDS FOR: bldg. acqui.
FINANCING: \$2,700,000 Tax-exempt bond
This matter has been held from consideration.

PROJECT: M & A Holdings, LLC **APPL.#17122**
LOCATION: Camden City/Camden Cty. **BUSINESS:** Mfr. of steel
PROCEEDS FOR: equip. purch.
FINANCING: \$2,100,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 1
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Pennsauken Senior Living, LLC **APPL.#17119**
LOCATION: Pennsauken Twp./Camden Cty. **BUSINESS:** Independent living facility
PROCEEDS FOR: \$12,000,000 Series A Taxable bonds, \$3,000,000 Series B Taxable bonds
FINANCING: bldg. acqui. & renov.

Mr. Carden asked the underwriter's representative, Jerry Farrell of the GMS Group, LLC, to explain the bond structure. Mr. Farrell explained that due to the history of the project, the deal is considered a turn-around that would not be rated. The higher rates reflect that the deal is a work out and the firm anticipates refunding in three years after the project's renovations are complete, occupancy rate increases, new operating procedures are in effect etc. Mr. Carden then asked about the fees in the deal. Mr. Farrell responded that the fees reflect legal fees, an underwriters fee of 2%, an interest rate cap that is factored in, and a subordinate servicing fee for three years that is being paid up front from proceeds. Mr. Carden asked Mr. Kaplan, principal of managing member KDG Pennsauken, LLC, if he was comfortable with the fee structure. Mr. Kaplan responded affirmatively.

MOTION TO APPROVE: Mr. Sheridan **SECOND:** Ms. Bauer **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 2

COMBINATION PRELIMINARY AND BOND RESOLUTION

PROJECT: Dilmax, LLC for the benefit of Novell Enterprises, **APPL.#17143**
Inc.
LOCATION: Rahway City/Union Cty. **BUSINESS:** Mfr. & designer of jewelry
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
FINANCING: \$1,500,000 Tax-exempt bond
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: CST Products, LLC **APPL.#17189**
LOCATION: Oldmans Twp./Salem Cty. **BUSINESS:** Mfr. of wall products
PROCEEDS FOR: bldg. constr./equip. purch
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 4

Mr. Piaia entered the meeting at this time.

PROJECT: New Dimensions Community Development **APPL.#17183**
Corporation for the benefit of Yes, Lord Ministry
LOCATION: Newark City/Essex Cty. **BUSINESS:** Not-for-profit community
development corporation
PROCEEDS FOR: bldg. constr.
MOTION TO APPROVE: Mr. McNamara **SECOND:** Ms. Bauer **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 5
Subject to review of Attorney General's office of church/state issue.

PROJECT: Paddock Realty LLC for the benefit of Titanium **APPL.#17169**
Industries, Inc.
LOCATION: Rockaway Twp./Morris Cty. **BUSINESS:** Titanium fabricator
PROCEEDS FOR: bldg. acqui. & renov.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

PROJECT: 686 Passaic Avenue, L.L.C. **APPL.#17171**
LOCATION: West Caldwell Boro./Essex Cty. **BUSINESS:** Assembler & installer of
replacement windows

PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PROJECT: Stellar Building Products, Inc. **APPL.#13579**
LOCATION: North Bergen Twp./Hudson Cty. **BUSINESS:** Mfr. of replacement windows
and doors
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PROJECT: Sultan Healthcare, Inc. **APPL.#17173**
LOCATION: Englewood City/Bergen Cty. **BUSINESS:** Mfr. of pharmaceuticals
PROCEEDS FOR: bldg. renov./equip. purch.
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Ms. Bauer **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: Superflex Ltd. **APPL.#17130**
LOCATION: Edison Twp./Middlesex Cty. **BUSINESS:** Mfr. of reinforced hoses
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

PROJECT: The Frisch School **APPL.#17196**
LOCATION: Paramus Boro/Bergen Cty. **BUSINESS:** Not-for-profit Jewish high
school
PROCEEDS FOR: refinancing/bldg. constr. & renov.
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11
Subject to review of Attorney General's office of church/state issue.

PROJECT: RBD Property Management LLC for the benefit **APPL.#17192**
of D&N Machine Manufacturing, Inc.
LOCATION: West Deptford Twp./Gloucester Cty. **BUSINESS:** Mfr. of sheet metal
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

STATEWIDE LOAN POOL PROGRAM

PROJECT: 5011 Circle Associates, LLC for the benefit **APPL.#17132**

of All American Camper and RV, LLC and Monmouth
Equipment and Service Company, Inc.

LOCATION: Farmingdale Boro./Monmouth Cty. **BUSINESS:** Recreational vehicle company

PROCEEDS FOR: bldg. acqui.

FINANCING: \$2,000,000 bank loan with a 25% (\$500,000) Authority participation and a five
year, 25% guarantee of principal outstanding not to exceed \$375,000.

MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Bauer **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 13

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: People For Animals, Inc.

APPL.#17109

LOCATION: Hillside Twp./Union Cty.

BUSINESS: Not-for-profit animal clinic

PROCEEDS FOR: bldg. acqui.

FINANCING: \$300,000 bank loan with a \$125,000 Authority participation

MOTION TO APPROVE: Mr. Plofker

SECOND: Ms. Bauer

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 14

ECONOMIC RECOVERY BOARD FOR CAMDEN

PROJECT: M & A Holdings Co., L.L.C.

APPL.#17125

LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: equip. purch.

FINANCING: \$900,000 Economic Recovery Board for Camden loan program

MOTION TO APPROVE: Mr. Plofker

SECOND: Mr. Carden

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: The Heart of Camden

APPL.#16954

LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: constr.

FINANCING: \$1,150,000 Economic Recovery Board for Camden grant program

MOTION TO APPROVE: Mr. Piaia

SECOND: Mr. Latoof

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: YMCA of Camden County, NJ

APPL.#17094

LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: bldg. renov.

FINANCING: \$552,968 Economic Recovery Board for Camden grant program

MOTION TO APPROVE: Mr. Carden

SECOND: Mr. Plofker

AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: ABC Corporation and Camden Redevelopment

APPL.#15441

PROCEEDS FOR: site remediation
FINANCING: \$68,424 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Frank Giardina and Eileen Giardina **APPL.#17007**

LOCATION: Sparta Twp./Sussex Cty.

PROCEEDS FOR: site remediation

FINANCING: \$69,452 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: John Gurnari and Christina Gurnari **APPL.#17091**

LOCATION: Paterson City/Passaic Cty.

PROCEEDS FOR: site remediation

FINANCING: \$7,433 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Anthony Keastead **APPL.#17111**

LOCATION: Mount Olive Twp./Morris Cty.

PROCEEDS FOR: site remediation

FINANCING: \$9,066 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Laura Kelly **APPL.#17092**

LOCATION: Rutherford Boro./Bergen Cty.

PROCEEDS FOR: site remediation

FINANCING: \$12,724 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Estate of Anna Mazzillo **APPL.#17155**

LOCATION: Newark City/Essex Cty.

PROCEEDS FOR: site remediation

FINANCING: \$9,149 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Michal McLeod and Viola McLeod **APPL.#17034**

LOCATION: Trenton City/Mercer Cty.

PROCEEDS FOR: site remediation

FINANCING: \$10,929 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Frank Mc Nulty and Diane Mc Nulty **APPL.#17116**

LOCATION: Vernon Twp./Sussex Cty.

PROCEEDS FOR: site remediation

FINANCING: \$10,550 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Ness, Inc. for the benefit of Paul's Chatham Texaco **APPL.#15899**
LOCATION: Chatham Twp./Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: \$34,577 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Saint Peter's College **APPL.#17181**
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: site remediation
FINANCING: \$334,655 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Michael Scaglione and Tracy Scaglione **APPL.#16912**
LOCATION: Wayne Twp./Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: \$5,933 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Edward Thomas **APPL.#17082**
LOCATION: Carteret Boro./Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$7,444 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Toledo's Livery Service **APPL.#16645**
LOCATION: Paterson City/Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: \$73,335 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 municipal grant under the Hazardous Discharge Site Remediation Fund Program.

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

PROJECT: Township of Jefferson **APPL.#17093**
(Former Contex Fuel Company)
LOCATION: Roxbury Twp./Morris Cty.

PROCEEDS FOR: site remediation
FINANCING: \$30,486 NJDEP Hazardous Discharge Site Remediation Municipal grant

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: AJM Packaging Corporation **APPL.#17159**
LOCATION: Vineland City/Cumberland Cty. **BUSINESS:** Mfr. of paper products
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: Blue and White Foods, LLC **APPL.#17163**
LOCATION: Vineland City/Cumberland Cty. **BUSINESS:** Mfr. of Mediterranean spreads
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: JE Berkowitz, LP **APPL.#17160**
LOCATION: Oldmans Twp./Salem Cty. **BUSINESS:** Glass fabricator
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: New York Produce, Inc. **APPL.#17133**
LOCATION: Secaucus Town/Hudson Cty. **BUSINESS:** Wholesaler of tomatoes
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: The Northern Trust Company **APPL.#17164**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** Private banking firm
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: Outsourcing Services Group, LLC **APPL.#17157**
LOCATION: Piscataway Twp./Middlesex Cty. **BUSINESS:** Mfr. of healthcare items
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Ms. Bauer **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: Quaker Photo Services, Inc. **APPL.#17156**
LOCATION: Moorestown Twp./Burlington Cty. **BUSINESS:** Digital imaging company
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: True Partners Consulting, LLC **APPL.#17108**
LOCATION: Roseland Boro./Essex Cty. **BUSINESS:** Consulting services
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

BOARD MEMORANDUMS

The next item was the approval of the following loans under the New Jersey Business Growth Fund Program: G&B Partners, LLC (GR Packaging, Inc.), Ralf's Heating & General Contractor, Inc., Semels Embroidery, Inc., Sispro, LLC, and SNECON, LLC and Ricetz Corporation.
(For Informational Purposes Only)

The next item was the approval of the amendments to the Technology Business Tax Certificate Program and authorization to submit amendments to the program rules for promulgation in the New Jersey Register, subject to final review and approval by the Office of the Attorney General and the Office of Administrative Law.

Ms. Franzini summarized the proposed amendments to the program. Ms. Renaud observed that the Technological Viability and Competitive Advantage categories are required to be measured pursuant to the statute governing the program and the scoring should reflect that. Ms. Franzini asked staff to review this further with the Office of the Attorney General and to make any adjustments pursuant to that Office's review.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. McNamara **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 22

Mr. Burke left the meeting at this time.

REAL ESTATE

The next item was the approval to amend and extend the Letter of Intent between the Authority and University Heights Science Park, Inc to commence the Design Development Phase of the Digital Century Center Project.
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Piaia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 23

PUBLIC COMMENT

There was no comment from the public.

EXECUTIVE SESSION

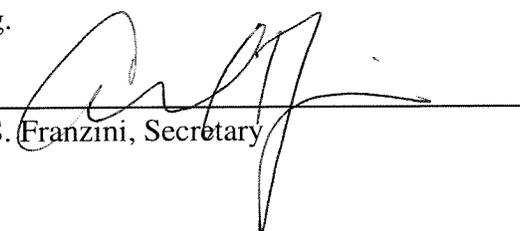
At this time on a motion made by Mr. Sheridan, and seconded by Mr. Piaia, the members adjourned to go into Executive Session to discuss pending litigation matters.

RESOLUTION ATTACHED AND MARKED EXHIBIT 24

There being no further business on a motion by Mr. Ploftker, and seconded by Mr. Sarlo, the meeting was adjourned at 11:40 a.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