

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

April 8, 2008

Technology Centre of New Jersey

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; Bernie Piaia representing the Commissioner of Education; Michael Sheridan representing the Commissioner of the Department of Banking and Insurance; Joe Latoof representing the Commissioner of the Department of Labor and Workforce Development; Angie McGuire representing the Office of Economic Growth, and Public Members: Steve Plofker, Thomas Manning, Timothy Carden, Raymond Burke, Elliot M. Kosoffsky, Charles Sarlo and Carmen Twillie Ambar.

Absent from the meeting: Hannah Shostack, representing State Treasurer Rousseau; Phil Kirschner, and Richard Tolson, Public Members; and Rodney Sadler, Non-voting 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 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 March 11, 2008 meeting minutes of the Board . A motion was made to approve the minutes by Mr. Piaia, seconded by Mr. Plofker and was approved by the 12 voting members present.

Ms. McGuire abstained as she was absent from the last meeting.

The next item of business was the approval of the March 11, 2008 Executive Session meeting minutes of the Board . A motion was made to approve the minutes by Mr. Carden, seconded by Mr. Manning and was approved by the 12 voting members present

Ms. McGuire abstained as she was absent from the last meeting.

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

EXECUTIVE SESSION

The next item was a motion to adjourn the public session of the meeting and enter into Executive Session to discuss a litigation matter and a contract negotiation.

MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Manning AYES:13
RESOLUTION ATTACHED AND MARKED EXHIBIT:1

AUTHORITY MATTERS

The next item was to approve the Authority's comprehensive annual report of 2007 including the financial statement, as required under Executive Order No.37.

Ms. Franzini commented that the independent accounting firm of Mercadian, P.C. issued the Authority an unqualified opinion in regard to the 2007 financial statement. Audit Committee Chair Tim Carden and Chairman Van Horn commended the staff on their work with the new auditor.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Piaia AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT:2

The next item was to approve the ability to effect loan product interest rate and term changes through the Board Approval Process for programs that are now currently bounded by Administrative Rules.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Manning AYES:13
RESOLUTION ATTACHED AND MARKED EXHIBIT:3

The next item was to approve changes to the current interest rate floors for select product programs.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Manning AYES:13
RESOLUTION ATTACHED AND MARKED EXHIBIT:4

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: West Ward Civic Cultural Educational Development Association APPL.#21538

LOCATION: Newark/Essex Cty. BUSINESS: not-for-profit pre-school

PROCEEDS FOR: facility expansion

FINANCING: \$2,313,000 Tax-Exempt Bond

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT:5

PUBLIC HEARING: Yes

PUBLIC COMMENT:None

PROJECT: West Ward Civic Cultural Educational Development Association **APPL.#20668**
LOCATION: Newark/Essex Cty. **BUSINESS:** not-for-profit pre-school
PROCEEDS FOR: facility expansion
FINANCING: \$500,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Carden **AYES:13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:6

STRUCTURED FINANCE

PROJECT: Morgan Stanley Management Services II, Inc. **APPL.#17167**
LOCATION: Franklin Twp./Somerset Cty. **BUSINESS:** financial services firm
PROCEEDS FOR: equipment purchase
FINANCING: preliminary approval for approximately \$7,420,000 sales tax exemption benefit related to \$106,000,000 project.
MOTION TO APPROVE: **SECOND:** **AYES:**
RESOLUTION ATTACHED AND MARKED EXHIBIT:
This matter was held from consideration.

PUBLIC HEARING ONLY

PROJECT: The First Occupational Center of New Jersey Incorporated **APPL.#19412**
LOCATION: Orange City/Essex County **BUSINESS:** vocational training
PROCEEDS FOR: refinancing existing debt
RESOLUTION ATTACHED AND MARKED EXHIBIT: 7
PUBLIC HEARING: Yes
PUBLIC COMMENT:None

BOND MODIFICATION

PROJECT: Unifoil Real Estate Partners LLC **APPL.#14378**
LOCATION: Fairfield Twp./Essex County **BUSINESS:** manufacturing
MODIFICATION: The interest rate reset structure of the bonds for the next five years to the Borrower's option of either the five year tax exempt fixed rate or the tax exempt equivalent of the 30-day LIBOR + 175 basis points (floating), swapped to a fixed rate at closing.
MOTION TO APPROVE: Mr. Latoof **SECOND:** Mr. Piaia **AYES:13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 8

DIRECT LOANS

PROJECT: Bald Eagle Urban Renewal at Wanaque LLC **APPL.#18331**
LOCATION: Wanaque Borough./Passaic County **BUSINESS:** commercial redevelopment
PROCEEDS FOR: building construction
FINANCING: \$1,250,000 Direct Loan
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 9

PROJECT: Housing and Neighborhood Development Services, Inc. **APPL.#20525**
LOCATION: Orange City./Essex County **BUSINESS:** nonprofit developer
PROCEEDS FOR: refinancing acquisition debt
FINANCING: \$1,195,000 Direct Loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 10

PROJECT: Housing and Neighborhood Development Services, Inc. **APPL.#21584**
LOCATION: Orange City./Essex County **BUSINESS:** nonprofit developer
PROCEEDS FOR: refinancing acquisition debt
FINANCING: \$555,000 Fund for Community Economic Development Loan
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

Ms. Franzini noted that the financing structure for this project was a result of an attempt to develop ways to better work with and finance nonprofit developers, particularly to provide for ongoing land acquisition activities.

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: CityWorks West Lake, L.L.C **APPL.#17103**
LOCATION: Neptune Twp./Monmouth County **BUSINESS:** urban redevelopment
PROCEEDS FOR: building construction
FINANCING: \$2,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES:**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 12

PROJECT: CityWorks West Lake, L.L.C **APPL.#21165**
LOCATION: Neptune Twp./Monmouth County **BUSINESS:** urban redevelopment
PROCEEDS FOR: building construction
FINANCING: \$1,000,000, seven-year NJEDA guarantee
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 13

PROJECT: CityWorks West Lake, L.L.C

APPL.#21753

LOCATION: Neptune Twp./Monmouth County

BUSINESS: urban redevelopment

PROCEEDS FOR: environmental services

FINANCING: \$250,000 Direct bridge loan (Brownfield Remediation Program)

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 14

PROJECT: CityWorks West Lake LLC

APPL.#21164 and 21163

LOCATION: Neptune/Monmouth Cty.

BUSINESS: urban redevelopment

PROCEEDS FOR: building construction

FINANCING: to approve a request for a \$18,500,000 New Markets Tax Credit allocation from NJCDE, LLC., to NJCDE-4, LLC. This allocation will be split into two tranches: 1) \$12,765,000 (APPL.#21164) and 2) \$5,735,000 (APPL.#21163)

MOTION TO APPROVE: Mr. Paia **SECOND:** Ms. Ambar **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 15

Ms. Franzini noted that since this project was last presented to the Board, several outstanding issues have been satisfactorily resolved including: Quantifying environmental remediation, provision of contingency reserve funds to cover potential cost overruns, obtaining a bank commitment.

Neptune Mayor, J. Randy Bishop, thanked the Board and EDA staff for their work on this project and expressed his commitment to the project and to Neptune's revitalization.

CAMDEN ECONOMIC RECOVERY BOARD

The next item was the annual legislative report of the Camden Economic Recovery Program.(For Informational Purposes Only)

PROJECT: Camden Redevelopment Agency

APPL. #20263

LOCATION: Camden City/Camden Cty

FINANCING: allow a \$1,532,950 recoverable infrastructure grant to the Camden Redevelopment Agency to fund the acquisition of 161 vacant lots and buildings within the Cooper Plaza Neighborhood.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 16

PROJECT: City of Camden

APPL. #021754

LOCATION: Camden City/Camden Cty

FINANCING: allow a \$700,000 non-recoverable infrastructure grant to assist the City of Camden's Police Department implement a local proxy server and dedicated Internet to support an upgraded computer-aided dispatch and record management systems (CAD/RMS) that will enable the Department to more efficiently respond to crime

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 17

PROJECT: M&M Development, LLC

APPL. #20891

LOCATION: Camden City/Camden Cty

FINANCING: approve the request for a \$2,972,832 ERB soft loan to M&M Development, LLC for permanent financing of the 79 market rate units of the 94-unit Coopers Hill Housing Development Project in the Cooper Plaza Neighborhood.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT: 18

PROJECT: Oasis Housing LLC

APPL. #20890

LOCATION: Camden City/Camden Cty

FINANCING: allow a \$360,000 soft loan to Oasis Housing LLC for permanent financing of the six market rate units of the Sycamore Street Housing Project in the Gateway Neighborhood.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 19

PROJECT: Campbell Soup Expansion-Utility Relocation Project

APPL. #18198

LOCATION: Camden City/Camden Cty

MODIFICATION: \$2,300,000 non-recoverable infrastructure grant to the Camden Redevelopment Agency to allow \$2 million to be disbursed to the CRA upon execution of an agreement between CRA and the New Jersey Department of Transportation.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Manning **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 20

PROJECT: Cathedral Soup Kitchen

APPL. #017436

LOCATION: Camden City/Camden Cty

MODIFICATION:extension of the completion date to April 30, 2009 for the Cathedral Soup Kitchen to construct a new building utilizing a \$1,000,000 ERB public purpose grant.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Manning **AYES: 13**

RESOLUTION ATTACHED AND MARKED EXHIBIT: 21

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following residential and commercial projects were presented under the Petroleum Underground Storage Tank Grant Program.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT:22

APPLICANT: Acropolis Service Center

APPL.#21383

LOCATION: Leonia Borough/Bergen Cty.

PROCEEDS FOR: soil and groundwater investigation

FINANCING: \$93,465 Petroleum UST Remediation, Upgrade and Closure Fund Grant

APPLICANT: Walter Sedlacik.

APPL.#21260

LOCATION: Montville Twp./Morris Cty.

PROCEEDS FOR: tank removal and site remediation

FINANCING: \$102,480 Petroleum UST Remediation, Upgrade and Closure Fund Grant

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of March 2008. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following projects presented under the Hazardous Discharge Site Remediation Fund Program (municipal grants and private projects).

MOTION TO APPROVE: Mr. Piaia SECOND:Mr. Manning AYES:13

RESOLUTION ATTACHED AND MARKED EXHIBIT:23

PROJECT: City of Linden (United Lacquer) **APPL.#21143**

LOCATION: Linden/Union Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$240,225 Hazardous Discharge Site Remediation Fund

PROJECT: City of Trenton (MLK School/Jefferson School) **APPL.#21233**

LOCATION: Trenton/Mercer Cty.

PROCEEDS FOR: remedial action

FINANCING: \$1,747,371 Hazardous Discharge Site Remediation Fund

PROJECT: Harrison Redevelopment Agency (Turnpike Dump #5) **APPL.#21428**

LOCATION: Harrison/Hudson Cty.

PROCEEDS FOR: remedial investigation

FINANCING: \$316,536 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Montclair (Frm. Southend Pyramid Station) **APPL.#20903**

LOCATION: Montclair/Essex Cty.

PROCEEDS FOR: preliminary assessment/site investigation

FINANCING: \$111,612 Hazardous Discharge Site Remediation Fund

PROJECT: Estate of Michelle Maturro **APPL.#21077**

LOCATION: Bloomfield Township/Essex Cty.

PROCEEDS FOR: remedial action

FINANCING: \$38,770 Hazardous Discharge Site Remediation Fund

PROJECT: Mybar Realty Company

APPL.#19033

LOCATION: Newark/Essex Cty.

PROCEEDS FOR: remedial action

FINANCING: \$596,486 Hazardous Discharge Site Remediation Fund

The next item was a summary of the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of March 2008. **(For Informational Purposes Only)**

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: Bertholon-Rowland Corp., USI Holdings Corporation and Affiliates **APPL.#21576**

LOCATION: Old Bridge Township/Middlesex Cty.

BUSINESS: financial services

GRANT AWARD: 75% Business Employment Incentive grant, 10 years

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

RESOLUTION ATTACHED AND MARKED EXHIBIT:24

PROJECT: Eva Tees Inc.

APPL.#21602

LOCATION: Piscataway/Middlesex Cty.

BUSINESS: wholesale

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

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

RESOLUTION ATTACHED AND MARKED EXHIBIT:24

PROJECT: Regeneron Pharmaceuticals, Inc..

APPL.#21616

LOCATION: Bridgewater Township/Somerset Cty.

BUSINESS: biotechnology

GRANT AWARD: 55% Business Employment Incentive grant, 4 years

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

RESOLUTION ATTACHED AND MARKED EXHIBIT:24

PROJECT: Tullett Prebon Holding Inc.

APPL.#21603

LOCATION: Jersey City/Hudson Cty.

BUSINESS: financial services

GRANT AWARD: 80% Business Employment Incentive grant, 10 years

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

RESOLUTION ATTACHED AND MARKED EXHIBIT:24

The next item was a list of all BEIP modifications that were approved in the quarter ending March 31, 2008. (For informational purposes only)

EDISON INNOVATION FUND

PROJECT: International Battery Inc. **APPL.#20244**
LOCATION: Oakland Borough/Bergen Cty.
PROCEEDS FOR: research and development
FINANCING: \$1,000,000 Edison Fund investment
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:25

BOARD MEMORANDUMS

The next item was to approve the addition of Cornerstone Bank as a Preferred Lender.

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

The next item was to approve the proposal to restructure the outstanding principal debt for T-Kat Corp., which matured on April 1, 2008 for a 3 year term at an interest rate of 4%.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr Plofker **AYES:13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:27

The next item was a summary of the approved projects under Delegated Authority for the month of March 2008. (For Informational Purposes Only)

New Jersey Business Growth Fund: Andryal, LLC, Minlen Ventures, LLC

Edison Innovation Fund: GlobalPrint Systems, Inc.

Preferred Lender Program: TJM Properties II, LLC

REAL ESTATE

The next item was to approve the Authority to accept a grant, in the amount of \$2.5 million from the United States Department of Commerce, Economic Development Administration (USEDA) to fund infrastructure improvements at the Aviation Research & Technology Park in Egg Harbor Township.

MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Latoof AYES:13

RESOLUTION ATTACHED AND MARKED EXHIBIT:28

The next item was to approve the request to grant the North Brunswick Youth Sports Festival (YSF) a license to host their annual festival on property owned by the Authority on Route One North in New Brunswick.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Manning AYES:13

RESOLUTION ATTACHED AND MARKED EXHIBIT:29

The next item was to approve the request to extend to December 31, 2017 the lease with Health Care Pharmacy, Inc. (HCP), a current tenant at the Trenton Office Complex's retail space.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Latoof AYES:13

RESOLUTION ATTACHED AND MARKED EXHIBIT:30

The next item was to approve a Memorandum of Understanding (MOU) between the Authority and Cooper's Ferry Development Association (CFDA) to provide for the Authority's funding of a portion of the 2008 Waterfront Landscaping Project for Camden's Delaware River waterfront.

MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Piaia AYES:13

RESOLUTION ATTACHED AND MARKED EXHIBIT:31

PUBLIC COMMENT

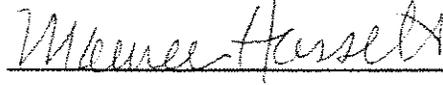
There was no comment from the public.

The next item was a presentation by Kathleen Coviello, Director - Technology and Life Sciences, and Kamran Hashmi, New Brunswick Innovation Zone Officer on the Edison Innovation Fund.

There being no further business, on a motion by Mr. Carden, and seconded by Mr. Piaia, the meeting was adjourned at 12:00 p.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.



Maureen Hassett, Assistant Secretary