

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

May 9, 2006

MINUTES OF THE MEETING

Members of the Authority present. Carl Van Horn, Chairman. Noel McGuire representing the Secretary of the NJ Commerce, Economic Growth and Tourism Commission; Alice Small, representing the State Treasurer. Joseph Latoof representing the Commissioner of the Department of Labor and Workforce Development. Janine Akey representing the Commissioner of the Department of Banking and Insurance; Bernie Piana representing the Commissioner of Education. Timothy Carden, Philip Kirschner, Charles Sarlo, and Steve Plofker, Public Members, Carmen Twillie Ambar and Raymond Burke, Alternate Public Members; and Rodney Sadler, Non-Voting Member

Absent from the meeting Joseph McNamara, Vice Chairman; and Carlos A. Medina, Public Member

Also present: Stanley Kosierowski, Chief Operating 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 10:04

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 April 11, 2006 meeting minutes of the Board. A motion was made to approve the minutes by Mr Latoof, seconded by Mr Carden and was approved by the 10 Members present

**Ms. Akey recused herself
because she was not at the
meeting.**

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
MOTION TO APPROVE: Mr Carden **SECOND:** Mr. Plofker **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

Mr. Sarlo entered the meeting at this time.

AMENDED BOND RESOLUTIONS

PROJECT: GMT Realty, LLC **APPL.#17218 & 17219**
LOCATION: Gloucester City/Camden Cty **BUSINESS:** Real estate holding company
AMENDED RESOLUTION TO: issue up to \$104,860,000 of conduit tax-exempt bonds to current
refund the previously issued Authority and Camden County Improvement Authority Bonds in order
to assist the applicant to facilitate the acquisition and assist to maintain the marine terminal
operation
MOTION TO APPROVE: Mr Carden **SECOND:** Mr. Piatia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
**Final Bond closing is subject to review by the Attorney General's office that all relevant
disclosure requirements of professionals associated with the transaction are in place.**

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Somerset Community Action Program, Inc **APPL.#13328**
LOCATION: Franklin Twp /Somerset Cty **BUSINESS:** Not-for-profit community action
program
PROCEEDS FOR: refinancing
FINANCING: \$4,100,000 Tax-exempt bond (max)
MOTION TO APPROVE: Mr Plofker **SECOND:** Mr Piatia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: Visiting Nurse Association Home Care, Inc for **APPL.#17299**
the benefit of Moorestown Visiting Nurse Assoc., Inc.
LOCATION: Moorestown Twp./Burlington Cty **BUSINESS:** Not-for-profit home health
care provider
PROCEEDS FOR: bldg acqui. & renov.
MOTION TO APPROVE: Mr. Pajala **SECOND:** Mr. Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 4

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Stellar Building Products, Inc or Nominee **APPL.#13579**
LOCATION: North Bergen Twp /Hudson Cty **BUSINESS:** Mfr. of vinyl and aluminum
windows
PROCEEDS FOR: bldg. acqui. & renov /equip purch
FINANCING: \$825,000 Tax-exempt bond with a 15 15% EDA guarantee not to exceed
\$125,000. \$80,000 Tax-exempt bond
MOTION TO APPROVE: Mr Plofker **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Stellar Building Products, Inc. t/a Five Star **APPL.#17131**
Building Products
LOCATION: North Bergen Twp /Hudson Cty **BUSINESS:** Mfr. of vinyl and aluminum
windows
PROCEEDS FOR: bldg. acqui & renov /equip purch
FINANCING: \$125,000 Local Development Financing Fund loan
MOTION TO APPROVE: Ms Akey **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

STATEWIDE LOAN POOL PROGRAM

PROJECT: Next Step Orthopaedics, Inc. **APPL.#17142**
LOCATION: West Orange Town/Essex Cty **BUSINESS:** Mfr of prosthetic devices
PROCEEDS FOR: bldg acqui
FINANCING: \$437,500 bank loan with a \$109,375 (25%) Authority participation
MOTION TO APPROVE: Mr Plofker **SECOND:** Mr. Pajala **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PROJECT: Vision Properties of Fair Lawn II. LLC **APPL.#17134**
LOCATION: Fair Lawn Boro /Bergen Cty **BUSINESS:** Dist. of hair care products
PROCEEDS FOR: bldg constr /equip. purch
FINANCING: \$2,300 000 bank loan with a \$500.000 (22%) Authority participation
MOTION TO APPROVE: Mr Piana **SECOND:** Mr Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: ACLS Realty Holdings of New Jersey. LLC and **APPL.#17240**
ACLS Pleasantville. Inc for the benefit of Atlantic City Linen Supply. Inc
LOCATION: Pleasantville City/Atlantic Cty **BUSINESS:** Provider of linen cleaning
services
PROCEEDS FOR: bldg. acqui & renov./equip purch
FINANCING: \$4,830.000 bank loan with a \$1.425.000 (30%) Authority participation.
MOTION TO APPROVE: Mr. Piana **SECOND:** Mr Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

PROJECT: Economic Development Council of the Township **APPL.#17044**
of Middle
LOCATION: Middle Twp /Cape May Cty **BUSINESS:** Not-for-profit loan provider
PROCEEDS FOR: loan funding
FINANCING: \$300.000 Fund for Community Economic Development loan
MOTION TO APPROVE: Mr Plofker **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

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. Piana **SECOND:** Mr Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: Frank Canna **APPL.#16711**
LOCATION: Monroe Twp./Gloucester Cty
PROCEEDS FOR: site remediation
FINANCING: \$3 767 Petroleum Underground Storage Tank Remediation, Upgrade and Closure
Fund grant

PROJECT: Michael DeLuca **APPL.#17236**
LOCATION: South River Boro./Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$7,369 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Harnet Ferdinand **APPL.#17246**
LOCATION: Maplewood Twp./Essex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$25,720 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Scott Lerner and Randee Lerner **APPL.#17202**
LOCATION: Rockaway Boro./Morris Cty
PROCEEDS FOR: site remediation
FINANCING: \$13,693 Petroleum Underground Storage Tank Remediation. Upgrade and Closure Fund grant

PROJECT: Enc Perrine and Judith Perrine **APPL.#17234**
LOCATION: East Windsor Twp /Mercer Cty.
PROCEEDS FOR: site remediation
FINANCING: \$6,821 Petroleum Underground Storage Tank Remediation. Upgrade and Closure Fund grant

PROJECT: Michael Tomasello and Donna Tomasello **APPL.#17248**
LOCATION: Manalapan Twp./Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$13,181 Petroleum Underground Storage Tank Remediation. Upgrade and Closure Fund grant

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following projects presented were grants under the Hazardous Discharge Site Remediation Fund Program

MOTION TO APPROVE: Mr Kirschner **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

PROJECT: Camden Redevelopment Agency **APPL.#17198**
(Antrum Hardware)
LOCATION: Camden City/Camden Cty
PROCEEDS FOR: site remediation
FINANCING: \$25,542 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: City of Trenton **APPL.#17266**
(Magic Marker Site)
LOCATION: Trenton City/Mercer Cty
PROCEEDS FOR: site remediation
FINANCING: \$2,522,651 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: Grove I Partnership **APPL.#17178**
LOCATION: Haddonfield Boro /Camden Cty
PROCEEDS FOR: site remediation
FINANCING: \$8,084 - 50% Innocent Party NJDEP Hazardous Discharge Site Remediation grant

PROJECT: Grove I Partnership **APPL.#17179**
LOCATION: Haddonfield Boro /Camden Cty
PROCEEDS FOR: site remediation
FINANCING: \$5,922 - 25% Matching NJDEP Hazardous Discharge Site Remediation grant

PROJECT: Norkus Enterprises, Inc. **APPL.#17205**
LOCATION: Point Pleasant Beach Boro /Ocean Cty
PROCEEDS FOR: site remediation
FINANCING: \$40,213 - 50% Innocent Party NJDEP Hazardous Discharge Site Remediation grant

PROJECT: Camden Redevelopment Agency **APPL.#17337**
(Harrison Avenue Landfill)
LOCATION: Camden City/Camden Cty
PROCEEDS FOR: site remediation
FINANCING: \$1,494,917 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: City of Camden Redevelopment Authority **APPL.#15878**
(Frm. RCA Building 8)
LOCATION: Camden City/Camden Cty.
PROCEEDS FOR: site remediation
FINANCING: \$66,917 NJDEP Hazardous Discharge Site Remediation municipal grant

Mr. Piaia left the meeting at this time.

The next item was the approval to authorize the Chief Executive Officer or Senior Vice President to approve (i) supplemental Hazardous Discharge Site Remediation Fund and Petroleum Underground Storage Tank grant awards up to a cumulative total of \$100,000, and (ii) initial Hazardous Discharge Site Remediation Fund and Petroleum Underground Storage Tank grant awards up to \$100,000.

MOTION TO APPROVE: Mr Plofker **SECOND:** Mr. Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

TECHNIUM TECHNOLOGY RESOURCES PROGRAM

PROJECT: Archive Systems Incorporated **APPL.#17256**
LOCATION: Fairfield Twp /Essex Cty **BUSINESS:** Document storage company
PROCEEDS FOR: equip purch
FINANCING: \$1,000,000
MOTION TO APPROVE: Ms. Akey **SECOND:** Mr Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

PROJECT: Ceronx. Inc **APPL.#17288**
LOCATION: Pennsauken Twp /Camden Cty **BUSINESS:** Plasma cleaning marketer
PROCEEDS FOR: Working capital
FINANCING: \$750,000
MOTION TO APPROVE: Ms Akey **SECOND:** Mr Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

Mr. Piaia returned to the meeting at this time.

PROJECT: Bed Bath and Beyond Inc **APPL.#17286**
LOCATION: TBD/TBD **BUSINESS:** Retailer of bath linens
GRANT AWARD: 35% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Ms. Akey **SECOND:** Mr Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Chrstmas Tree Shops, Inc **APPL.#17285**
LOCATION: TBD/TBD **BUSINESS:** Retailer of giftware
GRANT AWARD: 35% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Mr Latoof **SECOND:** Mr Piaia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: City Theatrical. Inc **APPL.#17283**
LOCATION: TBD/TBD **BUSINESS:** Mfr. of lighting accessories
GRANT AWARD: 25% Business Employment Incentive grant 10 years
MOTION TO APPROVE: Mr Plofker **SECOND:** Mr Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Falcon International Distributors. LLC **APPL.#17284**
LOCATION: Jersey City/Hudson Cty **BUSINESS:** Dist of dry products
GRANT AWARD: 80% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Ms Akey **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Ferring Pharmaceuticals, Inc **APPL.#17282**
LOCATION: Parsippany-Troy Hills Twp /Morris Cty.**BUSINESS:** Biopharmaceutical company
GRANT AWARD: 70% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Kirschner **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: M. Fortunoff of Westbury LLC **APPL.#17281**
LOCATION: Jersey City/Hudson Cty **BUSINESS:** Housewares store
GRANT AWARD: 75% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Mr Piana **SECOND:** Mr Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Gussco Manufacturing, Inc. **APPL.#17290**
LOCATION: Cedar Grove Twp /Essex Cty. **BUSINESS:** Recycling company
GRANT AWARD: 65% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Mr Piana **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: i-Flex Solutions Inc. **APPL.#17274**
LOCATION: Edison Twp /Middlesex Cty. **BUSINESS:** IT solutions company
GRANT AWARD: 75% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Mr Piana **SECOND:** Mr Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Marbel's Sweets, Inc **APPL.#17277**
LOCATION: Secaucus Town/Hudson Cty. **BUSINESS:** Mfr of chocolate
GRANT AWARD: 35% Business Employment Incentive grant 10 years
This matter has been held from consideration.

PROJECT: NCG Energy Solutions, Inc. **APPL.#17279**
LOCATION: Perth Amboy City/Middlesex Cty **BUSINESS:** Energy consulting company
GRANT AWARD: 70% Business Employment Incentive grant. 10 years
MOTION TO APPROVE: Mr PLofer **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Revolution Health LLC **APPL.#17172**
LOCATION: Madison Twp /Morris Cty **BUSINESS:** Healthcare communications company
GRANT AWARD: 80% Business Employment Incentive grant 10 years
MOTION TO APPROVE: Ms Akey **SECOND:** Mr Piana **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

The next three projects were related to modification requests and/or litigation matters of several Business Employment Incentive grantee companies Ms Franzini asked Deputy Attorney General Bette Renaud to outline for the Members the Board's responsibilities under the Authority's rules that discuss causes for disqualification or debarment of companies Ms Renaud summarized the circumstances under which the Authority may decline to approve or give financial assistance to a company and gave guidance on how the Members can assess mitigating factors in making a decision when presented with the facts of the case.

PROJECT: American Home Assurance Company and Affiliates **APPL.#12490, 14375, 15826**
LOCATION: Berkley Heights Union County and Jersey City, Hudson County
MODIFICATION: to approve the (i) merger between AIG Insurance Services, Inc and AIG Technical Services, Inc . (ii) name change of the merged entities to AIG Claim Services, Inc.; and (iii) continuation of the Business Employment Incentive Program grants without disqualification.
MOTION TO APPROVE: Mr Latoof **SECOND:** Mr Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 14 **Mr. Kirschner voted No.**

PROJECT: Aventis Pharmaceuticals Inc & Sanofi-Synthelabo, Inc **APPL.#09344, 11203, 16368**
LOCATION: Bridgewater Twp /Somerset Cty and Parsippany Twp /Morris Cty
MODIFICATION: to add Aventis Inc to both grants. to add Sanofi-Synthelabo, Inc to Grant II; to acquire Aventis S A by Sanofi-Synthelabo S A . to approve the subsequent name change from Aventis Pharmaceuticals Inc to sanofi-aventis U S LLC and Aventis Inc to sanofi-aventis U S, Inc . to add 200 and 400 Crossing Boulevard, Bridgewater Township, New Jersey and 55 Corporate Drive, Bridgewater Township, New Jersey to Grant II only. to delete 399 Interpace Parkway, Parsippany, New Jersey from Grant II only. to add Somerset Corporate Park, Bridgewater Township, New Jersey, 200 and 400 Crossing Boulevard, Bridgewater Township, New Jersey, 55 Corporate Drive, Bridgewater Township New Jersey, and 1041 Route 202-206, Bridgewater Township, New Jersey to Grant III, to approve the subsequent name change of the grantee from Sanofi-Synthelabo Inc. to sanofi-aventis U.S LLC and sanofi-aventis U S Inc . to increase the grant award to 80% for Grant III due to additional smart growth criteria being met, and continuation of the Business Employment Incentive Program grants without disqualification
MOTION TO APPROVE: Mr Piana **SECOND:** Mr Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Marsh & McLennan Companies, Inc and Subsidiaries **APPL.#13974**
LOCATION: Hoboken City/Hudson Cty.
MODIFICATION: to approve the continuation of the Business Employment Incentive Program grant without disqualification.
MOTION TO APPROVE: Ms Akey **SECOND:** Mr Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

BOARD MEMORANDUMS



MEMORANDUM

TO: Members of the Authority

FROM: Caren S Franzini, Chief Executive Officer

DATE: May 9, 2006

SUBJECT: New Jersey Business Growth Fund (**For Informational Purposes Only**)

The following projects were approved in April 2006 under the program guidelines of the New Jersey Business Growth Fund

- 1) Phillips Safety Products, Inc , located in Middlesex Borough, Middlesex County was formed in 2001. The company is a manufacturer of safety products (primarily eye-wear). PNC has approved a \$591,000 bank loan with a 50% (\$295,500) five year guarantee. Proceeds will be used to acquire real estate. The company currently has 12 employees and anticipates creating an additional two employees within two years.
- 2) Quaker Photo Service Inc , located in Madison Township, Morris County, was founded in 1923 with present ownership succeeding in 2004. The business is a commercial imaging company offering laminating, film processing, graphics and mounting services. PNC has approved a \$675,000 bank loan with a 50% (\$337,500) five year guarantee. Proceeds will be used for the purchase of machinery and equipment. The company currently has 33 employees and anticipates creating an additional 25 jobs within two years.

Prepared by: S Mania

The next item was the approval (i) of the New Jersey Housing and Mortgage Finance Agency project which will use \$1.065.000 of New Markets Tax Credit funds for Phase III of the Fairview Redevelopment Initiative, (ii) to accept the New Jersey Housing and Mortgage Finance Agency's \$1.764.000 recapture guaranty, and (iii) to authorize the Chief Executive Officer to execute all necessary agreements to close this investment

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr Plofker **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Public Health Research Institute of New York **APPL.#13935**
LOCATION: Newark City/Essex Cty

MODIFICATION: to execute a consent to assumption agreement pursuant to which the University of Medicine and Dentistry of New Jersey will assume the Authority's direct loan to Public Health Research Institute of New York under the same terms and conditions.

MOTION TO APPROVE: Mr Carden **SECOND:** Mr. Latoof **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

The next item was the approval of the following loans under the New Jersey Business Growth Fund Program. Phillips Safety Products, Inc and Quaker Photo Service Inc
(For Informational Purposes Only)

AUTHORITY MATTERS

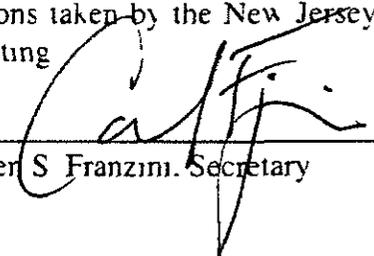
The next item was information on the New Jersey Film Tax Credit Transfer Program
(For Informational Purposes Only)

PUBLIC COMMENT

There was no comment from the public

There being no further business on a motion by Mr Plofker, and seconded by Mr Latoof, the meeting was adjourned at 11 45.

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



Carer S Franzini, Secretary