

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

May 13, 2008

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Hannah Shostack, representing the State Treasurer; Bernie Piaia representing the Commissioner of Education; Michael Sheridan representing the Commissioner of the Department of Banking and Insurance; Marilyn Davis representing the Commissioner of the Department of Labor and Workforce Development; Angie McGuire representing the NJ Commerce Commission, and Public Members: Steve Plofker, Thomas Manning, Philip Kirschner, Timothy Carden, Raymond Burke, First Alternate Public Member; Elliot M. Kosoffsky, Second Alternate Public Member; and Rodney Sadler, Non-voting Member.

Present via phone: Carmen Twillie Ambar, Third Alternate Public Member.

Absent from the meeting: Joseph McNamara, Vice Chairman, and Richard Tolson Public Member.

Also present: Caren Franzini, Chief Executive Officer of the Authority; bond counsel for the Authority; Bette Renaud, Deputy Attorney General; Nancy Feldman, Office of Public Finance; Robert Shane, Governor's Authorities Unit; 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 April 8, 2008 Executive Session meeting minutes of the Board . A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Sheridan and was approved by the 14 voting members present.

The next item of business was the approval of the April 8, 2008 meeting minutes of the Board . A motion was made to approve the minutes by Mr. Manning, seconded by Mr. Plofker and was approved by the 14 voting members present.

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

The next item was a report by the Office of Public Finance providing an update of the restructuring of the Authority's portfolio of auction rate securities and swaps. Nancy Feldman, Director of Public Finance was present to update the board on the restructuring of the EDA's auction rate portfolio.

BOND RESOLUTIONS

PROJECT: NJEDA/School Facilities Construction Bonds (Series X and Series Y)
LOCATION: Various
PROCEEDS FOR: construction
FINANCING: \$250,000,000 Series X Tax Exempt and \$260,000,000 Series Y Tax Exempt
REQUEST: To approve the adoption of the Twentieth Supplemental School Facilities Construction Bond Resolution authorizing issuance of School Facilities Construction Bonds, 2008 Series X and 2008 Series Y in a combined total amount not to exceed \$510,000,000; and authorize the removal of UBS as remarketing agent.
MOTION TO APPROVE: Ms. Davis **SECOND:** Mr. Piaia **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:1

Charles Sarlo abstained because his employer may be a beneficiary.

PROJECT: Lutheran Social Ministries at Crane's Mill, Inc. **APPL.#18174**
LOCATION: West Caldwell/Essex Cty. **BUSINESS:** not-for-profit nursing home
PROCEEDS FOR: property acquisition and building construction
FINANCING: \$19,100,000 Tax Exempt Bond and \$22,400,000 Tax Exempt Bond
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Davis **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:2
PUBLIC HEARING: Yes
PUBLIC COMMENT:None

PROJECT: Mark Rea Real Estate LLC **APPL.#20351**
LOCATION: Newark/Essex Cty. **BUSINESS:** solid waste disposal
PROCEEDS FOR: building acquisition and renovation
FINANCING: \$1,717,950 Tax Exempt Bond
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Piaia **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:3
PUBLIC HEARING: Yes
PUBLIC COMMENT:None

AMENDED BOND RESOLUTIONS

PROJECT: Pivotal Utility Holdings, Inc. **APPL.#16448 and 18067**
LOCATION: Various **BUSINESS:** gas utility
MODIFICATION: Pivotal Utilities requests approval to (I) amend the Indentures of Trust to provide for additional credit enhancement for the Converted Bonds in the form of a direct-pay letter of credit to be issued by Wells Fargo Bank; and (ii) amend the Loan Agreements in order to require one credit rating instead of two ratings. With the addition of the direct-pay letters of credit, the 2005 Converted Bonds will be remarketed at a weekly variable rate of by Wachovia Securities.
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Manning AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:4

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MOTION TO APPROVE: Mr. Carden SECOND: Mr. Sheridan AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:5

PRELIMINARY RESOLUTIONS

PROJECT: Count Basie Theatre, Inc. **APPL.#21924**
LOCATION: Red Bank/Monmouth Cty. **BUSINESS:** not-for-profit theatre
PROCEEDS FOR: building renovation
MOTION TO APPROVE: Mr. Piaia SECOND: Ms. Davis AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:6

PROJECT: East Coast Power Services, LLC, East Coast Power Systems **APPL.#21955**
LOCATION: Tinton Falls/Monmouth Cty. **BUSINESS:** electric parts manufacturer
PROCEEDS FOR: new machinery
MOTION TO APPROVE: Mr. Piaia SECOND: Ms. Sheridan AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:7

PUBLIC HEARING ONLY

PROJECT: Comar, Inc. **APPL.#18107**
LOCATION: Buena Vista/Atlantic County **BUSINESS:** manufacturing
PROCEEDS FOR: new machinery
PUBLIC HEARING: Yes
PUBLIC COMMENT:None

STRUCTURED FINANCE

PROJECT: Morgan Stanley Management Services II, Inc. **APPL.#17167**
LOCATION: Franklin Twp./Somerset Cty. **BUSINESS:** financial services firm
PROCEEDS FOR: real estate/leasehold improvements
FINANCING: final approval for approximately \$7,420,000 sales tax exemption benefit related to \$106,000,000 of eligible expenditures.
MOTION TO APPROVE: Mr. Plofker **SECOND:** Kirschner **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:8

DIRECT LOANS

PROJECT: Trenton Zephyr Urban Renewal Corporation **APPL.#20601**
LOCATION: Trenton/Mercer County **BUSINESS:** commercial redevelopment
PROCEEDS FOR: building renovation
FINANCING: \$1,500,000 Direct Loan
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Davis **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT:9
Mr. Kirschner abstained because of a contractual relationship his company has with Clarke, Caton & Hintz.

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: AIS Realty, L.L.C **APPL.#18049**
LOCATION: Perth Amboy/Middlesex County **BUSINESS:** manufacturing
PROCEEDS FOR: building acquisition and renovation
FINANCING: \$650,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Piaia **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:10

NEW MARKETS LOAN PROGRAM

PROJECT: MEPT Journal Square Urban Renewal LLC **APPL.#19569**
LOCATION: Jersey City/Hudson County **BUSINESS:** commercial redevelopment
PROCEEDS FOR: building construction
FINANCING: \$15,522,500 New Markets Tax Credit loan
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Piaia **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT: 11

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following residential project was presented under the Petroleum Underground Storage Tank Grant Program.

APPLICANT: Desmond and Rose Brizan **APPL.#21180**
LOCATION: East Orange/Essex Cty.
PROCEEDS FOR: site remediation

FINANCING: \$101,410 Petroleum UST Remediation, Upgrade and Closure Fund Loan
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:12

The next item was a summary of all Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of April 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. Sheridan **AYES:** 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:13

PROJECT: Borough of Keyport (Current Boat Ramp BDA Site) **APPL.#21970**
LOCATION: Keyport/Monmouth Cty.
PROCEEDS FOR: remedial action
FINANCING: \$242,959 Hazardous Discharge Site Remediation Fund

PROJECT: Camden Redevelopment Agency (Camden Waterfront - East) **APPL.#22032**
LOCATION: Camden/Camden Cty.
PROCEEDS FOR: remedial action
FINANCING: \$217,074 Hazardous Discharge Site Remediation Fund

PROJECT: City of Paterson (Apollo Dye House) **APPL.#21522**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$1,720,855 Hazardous Discharge Site Remediation Fund

PROJECT: City of Paterson (Columbia Textile Mill) **APPL.#21142**
LOCATION: Paterson/Passaic Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$472,120 Hazardous Discharge Site Remediation Fund

PROJECT: Township of Old Bridge (Sommer Property) **APPL.#22028**
LOCATION: Old Bridge/Middlesex Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$414,455 Hazardous Discharge Site Remediation Fund

PROJECT: Ford Fasteners, Inc. **APPL.#20734**
LOCATION: Hackensack/Bergen Cty.
PROCEEDS FOR: remedial action
FINANCING: \$178,797 Hazardous Discharge Site Remediation Fund

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: Harbor Mechanical Corporation **APPL.#21837**
LOCATION: Hoboken/Hudson Cty. **BUSINESS:** construction & related activities
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:14

PROJECT: inVentiv Health, Inc. and Subsidiaries **APPL.#21891**
LOCATION: Franklin Twp./Somerset Cty. **BUSINESS:** pharmaceuticals
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:14

PROJECT: Jaguar Land Rover North America, LLC **APPL.#21984**
LOCATION: Mahwah/Bergen Cty. **BUSINESS:** wholesale
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES: 14**
Approval subject to applicant meeting financial viability test.
RESOLUTION ATTACHED AND MARKED EXHIBIT:14

PROJECT: LaFrieda Wholesale Meats, Inc. **APPL.#21947**
LOCATION: North Bergen/Hudson Cty. **BUSINESS:** wholesale
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:14

PROJECT: PRG Packaging Corp. d/b/a Ferris Stahl Meyer Packing Corp. **APPL.#21908**
LOCATION: North Bergen/Hudson Cty. **BUSINESS:** wholesale
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES: 14**
RESOLUTION ATTACHED AND MARKED EXHIBIT:14

BOARD MEMORANDUMS

The next item was to approve an increase in the maximum lending limit for the Urban Plus program to \$5 million for real estate development projects with significant economic impact, as evidenced by a minimum \$70 million investment, inclusive of EDA's assistance.

MOTION TO APPROVE: Ms. Ambar SECOND: Mr. Piaia AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:15

The next item was to approve the reduction in interest rate from 6% to 4% for International Battery, Inc. based on a review by staff which revealed the company to be operating within a targeted industry.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Piaia AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:16

The next item was to approve the name change from WebMD Corporation to Emdeon Corporation and approval not to disqualify based on review by staff, in consultation by the Attorney General's office, of certain criminal actions that are grounds for possible disqualification, and the continuation of the BEIP grant without disqualification.

MOTION TO APPROVE: Ms. Ambar SECOND: Mr. Piaia AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:17

The next item was to approve the addition of Columbia Financial, Inc. as a Preferred Lender.

MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Manning AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:18

The next item was to approve the addition of Pepack-Gladstone Bank as a Preferred Lender.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:19

The next item was a summary of the approved projects under Delegated Authority from January to April 2008. **(For Informational Purposes Only)**

The next item was a summary of the approved projects under Delegated Authority in April 2008. **(For Informational Purposes Only)**

New Jersey Business Growth Fund: Elite Audio, LLC, Gharibian Farms, Inc., HDH, LLC, Nicholson Properties, LLC, Predator Tree Service, Specialized Storage Systems, Inc., TJLA Enterprises, LLC, Vogel Bus Company, Inc., Volturmo & Solopaca Enterprises, LLC

FastStart Direct Loan Program: Loida Development Center, LLC, Severna Operations, Inc., Stuyvesant Press, Inc. And Roeco Realty Corp., Inc.

PNC Business Growth Fund - Modification: Jefferson Camden Property Partners, LLC

The next item was to approve the consent to an additional \$100,000 in senior debt for Agilence, Inc. secured by a senior loan on corporate assets and shared lien position on intellectual property.

**MOTION TO APPROVE: Mr. Piaia SECOND: Ms. Davis AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:20**

The next item was to approve the Nistica, Inc. modification to consent to \$3,000,000 in senior debt to be secured by a first lien on all corporate assets including a negative pledge on intellectual property.

**MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Carden AYES: 14
RESOLUTION ATTACHED AND MARKED EXHIBIT:21**

PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Piaia, and seconded by Mr. Plofker, the meeting was adjourned at 11:25 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.



Maureen Hassett, Assistant Secretary