

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

July 10, 2007

MINUTES OF THE MEETING

Members of the Authority present: Joseph McNamara, Vice Chairman; Lopa Kolluri, representing the State Treasurer; Bernie Piaia representing the Commissioner of Education; Joseph Latoof representing the Commissioner of the Department of Labor and Workforce Development; William Waits representing the Commissioner of the Department of Banking and Insurance; Timothy Carden, Charles Sarlo, Thomas Manning, and Philip Kirschner, Public Members; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Carl Van Horn, Chairman; representative from the NJ Commerce, Economic Growth and Tourism Commission; Steve Plofker, Public Member and Carmen Twillie Ambar, and Raymond Burke, Alternate Public Members.

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

Vice Chairman McNamara called the meeting to order at 10:08 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 June 12, 2007 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Piaia, seconded by Mr. Latoof and was approved by the 8 members present.

Vice Chairman McNamara thanked staff for compiling the information for the Strategic Planning Session. He commented on the usefulness of the session to review our policies and to focus on the Authority's impact and future direction.

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

BOND RESOLUTIONS

PROJECT: 385 Hillside Avenue Realty, LLC/ Beau Label Manufacturing, Inc. **APPL.# 17347**
LOCATION: Hillside Twp./Union Cty. **BUSINESS:** Mfr. of labels and tabs
PROCEEDS FOR: land acqui./equip. purch. \$430,000 Tax-Exempt Bond
FINANCING: \$1,120,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Kirschner **AYES: 8**
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

PROJECT: Hamilton Area Young Men's Christian Association **APPL.# 18304**
LOCATION: Hamilton Twp./Mercer Cty. **BUSINESS:** Not-for-profit community org.
PROCEEDS FOR: bldg. const.
FINANCING: \$5,500,000 Tax-Exempt Bond

PROJECT: Hamilton Area Young Men's Christian Association **APPL.# 18303**
LOCATION: Hamilton Twp./Mercer Cty. **BUSINESS:** Not-for-profit community org.
PROCEEDS FOR: refunding
FINANCING: \$4,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Latoof **AYES: 8**
RESOLUTION ATTACHED AND MARKED EXHIBIT 2

PROJECT: Hatteras Press, Inc. **APPL.# 18541**
LOCATION: Tinton Falls Borough/Monmouth Cty. **BUSINESS:** Commercial printer
PROCEEDS FOR: equip. purch.
FINANCING: \$2,300,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Piaia **AYES: 8**
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

Mr. Carden entered the meeting at this time.

PROJECT: L.P. Thebault Company **APPL.18545**
LOCATION: Parsippany-Troy Hills Twp./Morris Cty. **BUSINESS:** Print & media services
PROCEEDS FOR: equip. purch.
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Lindsay Properties, LLC **APPL.#18546**
for the benefit of R & R Cosmetics, LLC
LOCATION: Rahway City/Union Cty. **BUSINESS:** Mfr. of beauty products
PROCEEDS FOR: bldg. acqui.
FINANCING: \$2,300,000 bank loan with a 34.8% (\$800,000) Local Development Financing
Fund participation
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Latoof **AYES: 8**
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

**Mr. Kirschner
recused himself
because his
employer has a
relationship with
NJM Bank.**

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: Camden Redevelopment Agency **APPL.#17939**
Parkade Building/Roosevelt Plaza
LOCATION: Camden City/Camden Cty.
MODIFICATION: change project scope to allow the \$3 million ERB infrastructure grant to be
used exclusively for acquisition of the leasehold interest in the building contingent upon the
Camden Redevelopment Agency securing a Downtown Redevelopment Plan and subdivision
approval to allow for commercial development around the perimeter of the project site.
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Kirschner **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PROJECT: Cooper's Ferry Development Association, Inc. **APPL.#17891**
LOCATION: Camden City/Camden Cty.
MODIFICATION: change project scope to increase the amount of the ERB recoverable
infrastructure grant to Cooper's Ferry Development Association Inc. from \$2,000,000 to
\$2,042,000.
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Carden **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

FINANCING: \$264,664 Hazardous Discharge Site Remediation Fund
PROJECT: Township of West Orange (549 Valley Road) **APPL.#18695**
LOCATION: West Orange Twp./Essex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$425,019 Hazardous Discharge Site Remediation Fund

The next item was the Hazardous Discharge Site Remediation Fund Program Delegated Authority Approvals for the month of June 2007. (For Informational Purposes Only)

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: AFL Quality NY, LLC **APPL.#18679**
LOCATION: Secaucus Town/Hudson Cty. **BUSINESS:** Printing company
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Waits **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Cultech, Inc. **APPL.#17819**
LOCATION: South Plainfield Borough/Middlesex Cty. **BUSINESS:** Mfr. of folding cartons
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
This matter was held from consideration.

PROJECT: DeltaPaper Corporation **APPL.#18801**
LOCATION: Pennsauken Twp./Camden Cty. **BUSINESS:** Paper converting company
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Carden **AYES:9**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: IPC Systems, Inc. **APPL.#18806**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** Mfr. of communications systems
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Waits **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: New Jersey Ethanol, LLC **APPL.#18356**
LOCATION: Bridgeton City/Cumberland Cty. **BUSINESS:** Mfr. of ethanol
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Kirschner **AYES: 9**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13
Subject to company closing on a \$3,000,000 bank loan in order to meet financial viability test.

PROJECT: Aeterna Zentaris Inc. **APPL.#18528**
LOCATION: Warren Twp./Somerset Cty. **BUSINESS:** Biopharmaceutical company
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Manning **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Barclays Global Investors, N.A. or nominee **APPL.#18932**
LOCATION: unknown **BUSINESS:** National trust bank
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Manning **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Refcon, Inc. **APPL.#15520**
LOCATION: Norwood/Bergen Cty. **BUSINESS:** Mfr. of display equipment
MODIFICATION: approval of the acquisition of substantially all of their assets by HPC Investment Co., LLC, a wholly-owned subsidiary Henny Penny Corporation. Refcon, Inc. is also requesting the approval of the name change from Refcon, Inc. to Refcon, LLC.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

PROJECT: The Sports Authority, Inc. **APPL.#14423**
LOCATION: Burlington/Burlington Cty. **BUSINESS:** Sporting goods retailer
MODIFICATION: approval of a change in ownership and the subsequent name change from The Sports Authority, Inc. to TSA Stores, Inc.
MOTION TO APPROVE: Mr. Manning **SECOND:** Mr. Waits **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

The next item was the BEIP Modifications Delegated Authority Approvals for the month of June 2007. **(For Informational Purposes Only)**

BOARD MEMORANDUMS

PROJECT: Vineland Adult Education/Aquatic Center **APPL.#17484**
LOCATION: Vineland/Cumberland Cty.
MODIFICATION: approval to allow NJEDA to provide a recapture provision to the investors of the Vineland Adult Education/Aquatic Center project. The provision will only be exercised in the event a recapture is caused by the NJCDE, LLC.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Latoof **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

The next item was the approval of the following projects under Delegated Authority for the month of June 2007: **(For Informational Purposes Only)**

New Jersey Business Growth Fund: WJ Castle, PE & Associates and Castle Clan, LLC, and Whittendale Excavating Corporation.

Modifications: Penn Pub, Inc. & WWSBP Inc.

The next item was the approval of the following projects under Delegated Authority for Credit Compliance for the 2nd quarter of 2007: **(For Informational Purposes Only)**

Active Portfolio: Corporate Childcare Solutions, Inc.

SLM Portfolio: Checkspert, Inc., Avatar Medical LLC & Avatar Biotechnologies, LLC.

REAL ESTATE

The next item was the approval to enter into a Memorandum of Understanding with Cooper's Ferry Development Association to provide for the Authority's funding of a portion of Phase I of the Camden Waterfront Landscaping Project.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Ms. Kolluri **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

The next item was the approval to enter into a Reciprocal Use & Occupancy Agreement with the Trenton Parking Authority and the Amendment to Agreement and Lease to facilitate redevelopment in downtown Trenton.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Latoof **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

AUTHORITY MATTERS

The next item was in regards to the New Markets Tax Credit program and the recommendation to approve a maximum loan of \$22.8 million to the Investor LLP, and accept an investment from US Bancorp in order to create a loan pool of up to \$33.1 million and approve a recapture provision in an amount up to \$19 million for the New Markets Tax Credit investment. This proposal was reviewed by the Audit Committee and was approved to be presented to the Board of Directors.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

The next item presented by Audit Chairman, Tim Carden, was to approve the selection of Mercadien, P.C. to be independent auditors to the NJEDA for the fiscal years 2007-2009 with the option to extend the contract for two more years.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Waits **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

The next item was to approve the appointment of John Rosenfeld as Assistant Secretary of the Authority.

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Manning **AYES:** 9
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

The next item was the expansion of scope on the current technical assistance consulting contract with Southlight Group, LLC as the technical consultant. **(For Informational Purposes Only)**

EXECUTIVE SESSION

At this time on a motion made by Mr. Carden, and seconded by Mr. Latoof, the members adjourned to go into Executive Session to discuss a potential litigation matter.

RESOLUTION ATTACHED AND MARKED EXHIBIT 22

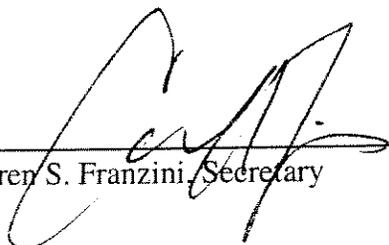
PUBLIC COMMENT

There was no comment from the public.

There being no further business, on a motion by Mr. Carden, and seconded by Mr. Piaia, 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.



Caren S. Franzini, Secretary