

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

October 9, 2007

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; Lopa Kolluri, 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; Steve Plofker, Timothy Carden, and Philip Kirschner, Public Members; Carmen Twillie Ambar, Alternate Public Member and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Charles Sarlo, Thomas Manning, Public Member; Raymond Burke, Alternate Public Member.

Also present: Caren Franzini, 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 10:00 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 September 11, 2007 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Carden and was approved by the 11 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 Morristown-Beard School **APPL.#19395**
LOCATION: Morristown Town/Morris Cty. **BUSINESS:** Not-for-profit school
PROCEEDS FOR: expan./bldg. const./equip. purch.
FINANCING: \$14,500,000 Tax Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

PROJECT: MZR Real Estate, L.P. **APPL.#18065**
for the benefit of Art Guild, Inc.
LOCATION: West Deptford Twp./Gloucester Cty. **BUSINESS:** Exhibit design & fabrication Co.
PROCEEDS FOR: bldg. const./equip. purch.
FINANCING: \$2,800,000 Tax-Exempt Bond \$3,700,000 Taxable Bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Ms. Ambar **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: SeniorCare of Hamilton, LLC **APPL. #19467**
LOCATION: Hamilton Twp/Mercer Cty. **BUSINESS:** Not-for-profit nursing facility
PROCEEDS FOR: bldg. renov.
FINANCING: \$525,000 Series A Tax-Exempt Bond (part of \$19,730,000 Bond with Application P19322)

PROJECT: SeniorCare of Hamilton, LLC **APPL.#19322**
LOCATION: Hamilton Twp/Mercer Cty. **BUSINESS:** Not-for-profit nursing facility
PROCEEDS FOR: refunding
FINANCING: \$19,205,000 Series A Tax-Exempt Bond (part of \$19,730,000 Bond with Application P19467)
\$160,000 Series B Taxable Bond
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 3

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: 690 Union Blvd. Assoc., LLC **APPL.#19093**
for the benefit of Perk-Up, Inc. (aka Kari Out, Inc.)
LOCATION: Totowa Borough/Passaic Cty. **BUSINESS:** Food processing and
packaging co.
PROCEEDS FOR: bldg. const.
FINANCING: \$4,000,000 Tax Exempt Bond (part of a \$10,000,000 bond issue with P19474)

PROJECT: 690 Union Blvd. Assoc., LLC **APPL.#19474**
for the benefit of Perk-Up, Inc. (aka Kari Out, Inc.)
LOCATION: Totowa Borough/Passaic Cty. **BUSINESS:** Food processing and
packaging co.
PROCEEDS FOR: refunding

FINANCING: \$6,000,000 Tax Exempt Bond (part of a \$10,000,000 bond issue with P19093)

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT 4

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

Approval is subject to receipt of clearance from the NJ Department of Environmental Protection (DEP) that the expansion of the parking area will not violate DEP regulations requiring an adequate buffer between the improvements and the wetland area.

PROJECT: Pope John XXIII H. S. Special Project Foundation, Inc. **APPL.#18949**
for the benefit of Pope John XXIII Regional High School

LOCATION: Sparta Twp./Sussex Cty. **BUSINESS:** Not-for-profit high school

PROCEEDS FOR: equip. purch.

FINANCING: \$1,000,000 Tax Exempt Bond (max)

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT 5

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

Closing subject to AG's office review of religious entity for church/state conflicts.

PROJECT: Presbyterian Home at Red Bank, Inc. **APPL.#18237**

LOCATION: Red Bank Borough/Monmouth Cty. **BUSINESS:** Not-for-profit housing &
personal care services

PROCEEDS FOR: bldg. const./renov./working capital

FINANCING: \$82,000,000 Tax Exempt Bond

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT 6

PUBLIC HEARING: Yes

PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: Distinctive Cosmetic Ingredients, LLC and Nominee **APPL.#19597**
LOCATION: New Brunswick City/Middlesex Cty. **BUSINESS:** Mfr. & distributor of cosmetics

PROCEEDS FOR: bldg. acqui./renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PROJECT: Douglas Electrical Components, Inc. **APPL.#19600**
LOCATION: Randolph Twp./Morris Cty. **BUSINESS:** Mfr. of electrical feedthroughs
PROCEEDS FOR: bldg. acqui./equip. purch.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PROJECT: HES Properties, LLC **APPL.#19631**
for the benefit of Lasercam, LLC
LOCATION: Paterson City/Passaic Cty. **BUSINESS:** Mfr. of creasing and cutting dies

PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: **SECOND:** Mr. Piaia **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: P.R.O.C.E.E.D., Inc. **APPL.#19532**
LOCATION: Elizabeth City/Union Cty. **BUSINESS:** Not-for-profit social services organization

PROCEEDS FOR: bldg. acqui./renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

PROJECT: United Water New Jersey Inc. **APPL.#19601**
LOCATION: statewide **BUSINESS:** Water furnishing facility
PROCEEDS FOR: upgrades/equip. purch.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Ms. Ambar **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: 1460 Chestnut Assoc. LLC and **APPL.#19113**
Tripak Industrial USA, LLC
LOCATION: Hillside Twp./Union Cty. **BUSINESS:** Mfr. of food packaging
PROCEEDS FOR: bldg. acqui./equip. purch.
FINANCING: \$4,750,000 Tax Exempt Bond (part of a \$6,650,000 bond issuance)
\$1,900,000 Tax Exempt Bond (part of a \$6,650,000 bond issuance)
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

**PUBLIC HEARING:
PUBLIC COMMENT:**

PROJECT: 1460 Chestnut Assoc. LLC and **APPL.#19628**
Tripak Industrial USA,
LOCATION: Hillside Twp./Union Cty. **BUSINESS:** Mfr. of food packaging
PROCEEDS FOR: bldg. acqui./equip. purch.
FINANCING: \$1,000,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Davis **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

AMENDED BOND

PROJECT: Trenton Convalescent Center **APPL.#19321**
Urban Renewal Associates, L.P.
LOCATION: Trenton/Mercer Cty. **BUSINESS:** Nursing home
PROCEEDS FOR:
FINANCING: \$2,565,000 Tax Exempt Bond \$747,000 Taxable Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Carden **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

STATEWIDE LOAN POOL

PROJECT: Justin Drzal, Larry Herman, Tracy Herman (or nominee) **APPL.#19287**
LOCATION: Mt. Holly Twp./Burlington Cty. **BUSINESS:** Car dealership
PROCEEDS FOR: business acqui.
FINANCING: \$1,000,000 bank loan with a \$300,000 (30%) Authority participation
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Union Lake Supermarket, LLC **APPL.#19424**
LOCATION: Millville City/Cumberland Cty. **BUSINESS:** Supermarket
PROCEEDS FOR: equip. purch.
FINANCING: \$1,250,000 Local Development Financing Fund loan
MOTION TO APPROVE: Ms. Davis **SECOND:** Mr. Carden **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

FUND FOR COMMUNITY ECONOMIC DEVELOPMENT

PROJECT: Cooperative Business Assistance Corporation **APPL.#19423**
LOCATION: Camden City/Camden Cty. **BUSINESS:** Not-for-profit micro-lender
PROCEEDS FOR: refinancing
FINANCING: \$500,000 Fund for Community Economic Development loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT 16
SMART GROWTH PRE-DEVELOPMENT FUND

PROJECT: Morning Star Community Development **APPL.#18565**
Renewal Corp.
LOCATION: Linden City/Union Cty. **BUSINESS:** Not-for-profit developer
PROCEEDS FOR: architectural expenses
FINANCING: \$225,000 Smart Growth loan
This item was held from consideration.

EDISON INNOVATION FUND

PROJECT: Aculon, Inc. **APPL.#19021**
LOCATION: North Brunswick Twp./Middlesex Cty. **BUSINESS:** Mfr. of nanotechnology
based coating
PROCEEDS FOR: operating expenses
FINANCING: \$1,000,000 Edison Innovation Fund investment
MOTION TO APPROVE: Ms. Ambar **SECOND:** Mr. Carden **AYES:11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following commercial projects was presented under the Petroleum Underground Storage Tank Grant Program.

MOTION TO APPROVE: Mr. Kirscher **SECOND:** Mr. Carden **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

PROJECT: M&M Auto Mechanic Inc. **APPL.#19326**
LOCATION: Perth Amboy City/Middlesex Cty.
PROCEEDS FOR: site investigation
FINANCING: \$268,019 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund Grant

PROJECT: Skinner Brothers **APPL.#19454**
LOCATION: Kearny Town/Hudson Cty.
PROCEEDS FOR: site investigation
FINANCING: \$119,119 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund Grant

The next item was the Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of September 2007. **(For Informational Purposes Only)**

PROJECT: City of Newark (Nat Turner Park) **APPL.#19799**
LOCATION: Newark City/Essex Cty.
PROCEEDS FOR: site investigation
FINANCING: \$2,962,479 Hazardous Discharge Site Remediation Fund grant

PROJECT: Borough of Roselle Park **APPL.#19444**
(Youth Baseball Field Complex)
LOCATION: Roselle Park Borough/Union Cty.
PROCEEDS FOR: remedial investigation
FINANCING: \$120,903 Hazardous Discharge Site Remediation Fund grant

PROJECT: City of Vineland (Block 597 Project) **APPL.#19159**
LOCATION: Vineland City/Cumberland Cty.
PROCEEDS FOR: site investigation
FINANCING: \$178,852 Hazardous Discharge Site Remediation Fund grant

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

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: CLIC International Inc. and Affiliates **APPL.#19348**
LOCATION: TBD **BUSINESS:** Ethnic food production and distribution
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Piaia **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: IBM Corporation **APPL.#19635**
LOCATION: Englewood Cliffs Borough/Bergen Cty. **BUSINESS:** Computer technology company
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
This item was held for consideration

PROJECT: Lee Spring Company, LLC **APPL.#19427**
LOCATION: Bayonne City/Hudson Cty. **BUSINESS:** Mfr. of springs and metal parts
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Ms. Ambar **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: Mapei Corporation **APPL.#19609**
LOCATION: Millville City/Cumberland Cty. **BUSINESS:** Mfr. of adhesives and sealants
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Ambar **AYES: 11**

RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: McGrory Glass, Inc. **APPL.#19653**
LOCATION: West Deptford Twp./Gloucester Cty. **BUSINESS:** Flat glass fabricator
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: Mylan Laboratories Inc. and Affiliates **APPL.#19657**
LOCATION: TBD **BUSINESS:** Pharmaceutical company
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: Visual Graphic Systems, Inc. **APPL.#19604**
LOCATION: TBD **BUSINESS:** Sign manufacturing company
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: McKinsey & Company, Inc. United States **APPL.#19640**
LOCATION: TBD **BUSINESS:** Sign manufacturing company
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:**
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

APPROVAL REQUEST: To accept staff's recommendation that SPRI or Schering Corporation not be disqualified from the BEIP program and that the BEIP grant be continued, as well as approval of the merger and name change of the formerly known Schering Plough Research Institute (SPRI) to Schering Corporation, provided that only new employees in the former SPRI division at the project location shall be eligible for inclusion under the grants.

PROJECT: Schering Plough Research Institute **APPL.# N/A**
LOCATION: Kenilworth/Union Cty. **BUSINESS:** Pharmaceutical company
MOTION TO APPROVE: Mr. Kirscher **SECOND:** Mr. Carden **AYES: 10**
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

Chairman Van Horn recused himself because the research center he is employed by received financial support from the parent company several years ago.

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

BOARD MEMORANDUMS

The next item was the approval of the following project under Delegated Authority for the third quarter of 2007: **(For Informational Purposes Only)**

West Ward Community. (write off of recoverable grant)

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

Preferred Lender Program: New Jersey Academy of Family Physicians

Camden ERB: Cooper Health System

PNC Business Growth Fund - Modification: Alan M. Jessat dba Racers Edge

TECHNOLOGY BUSINESS TAX CERTIFICATES TRANSFER PROGRAM - APPEALS

The next item was to approve staff's recommendation to approve 11 appeals received from applicants to the Technology Business Tax Certificate Transfer program.

Classlink, Inc.- (Independent CPA Prepared Financial Statements)
CMWare, Inc., - (75% NJ Employment, 2004 Financial Statements)
Corente, Inc. - (75% NJ Employment, Parent Company Financial Statements)
Global Print Systems, Inc. -(Independent CPA Prepared Financial Statement)
Knite, Inc. (Creation of Full-Time Jobs in NJ)
Opt-e_Scrip, Inc. (75% NJ employment)
Premier Specialities, Inc. (Protected Proprietary IP, Tech. Viability)
Scivanta Medical Corporation - (Protected Proprietary IP, Tech. Viability)
Smarter Agent, Inc. (75% NJ employment)
Viocare Technologies - (Protected Proprietary IP, Tech. Viability)
VioQuest Pharmaceuticals, Inc. - (Protected Proprietary IP, Tech. Viability)

MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 22

REAL ESTATE

The next item was the approval to select Ballinger as Architect and Skanska as Construction Manager to design and construct the Integrative Biology and Genomic Medicine Institute (IBGMI) in Camden. The IBGMI is one of five projects cited for funding by the Legislature as part of the State's stem cell research initiative.

MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 23

AUTHORITY MATTERS

The next item was to approve changes in three areas: exposure limits, the Preferred Lender Program, Delegated Authority, and to authorize staff to submit amendments to the program rules as substantially presented in the attachment to this memo for promulgation and adoption in the NJ Register, subject to final review and approval by the Office of the Attorney General and Office of Administrative Law. The rules will become effective upon mailing to the Office of Administrative Law, however, applicants are at risk that the amendments may not be adopted as proposed. (The delegated authority recommendations for settlements, writeoffs and BEIP mergers and acquisitions were held from consideration).

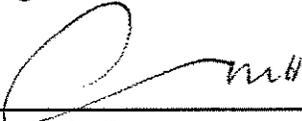
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 11**
RESOLUTION ATTACHED AND MARKED EXHIBIT 24

PUBLIC COMMENT

There was no comment from the Public.

There being no further business, on a motion by Mr. Piaia, and seconded by Mr. Carden, the meeting was adjourned at 11:23 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 Franzini, Secretary