

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

November 14, 2006

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNamara, Vice Chairman; Mike Sheridan representing the Commissioner of the Department of Banking and Insurance; Virginia Bauer, Secretary of the NJ Commerce, Economic Growth and Tourism Commission; Bob Smartt, representing the State Treasurer; Marilyn Davis representing the Commissioner of the Department of Labor and Workforce Development; Bernie Piaia representing the Commissioner of Education; Timothy Carden, Carlos A. Medina, Philip Kirschner, Thomas Manning, and Steve Plofker, Public Members; Raymond Burke, Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Charles Sarlo, Public Member; and Carmen Twillie Ambar, Alternate Public 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 10:00 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.

Chairman Van Horn welcomed Tom Manning to the EDA Board and looks forward to working with him.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the October 10, 2006 meeting minutes and Executive Session minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Ms. Davis and was approved by the 10 Members present.

Mr. Manning recused himself because he 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)

Mr. Smartt entered the meeting at this time.

BOND RESOLUTIONS

PROJECT: Monmouth Council, Boy Scouts of America **APPL.#17315**
LOCATION: Multi City/Monmouth Cty. **BUSINESS:** Not-for-profit community
service organization
PROCEEDS FOR: refinancing
FINANCING: \$624,026 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Plofker **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

PROJECT: Keystone Folding Box Company, Inc. **APPL.#17539**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Mfr. of paperboard packing
PROCEEDS FOR: equip. purch.
FINANCING: \$2,115,000 Tax-Exempt Bond (max)
MOTION TO APPROVE: Mr. Kirschner **SECOND:** Mr. Plofker **AYES: 12**
RESOLUTION ATTACHED AND MARKED EXHIBIT 2

Mr. McNamara entered the meeting at this time.

AMENDED BOND RESOLUTIONS

PROJECT: Anheuser-Busch Companies, Inc. **APPL.#17763**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Mfr. of beer
AMENDED RESOLUTION TO: enable Anheuser-Busch Companies, Inc to issue Qualified
Private Activity Tax-Exempt Bonds, in the amount of \$13 million maximum, to refund the
outstanding \$13 million of Sewage Facilities Revenue Bonds.
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Bauer **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Elizabeth Development Company **APPL.#17759**
LOCATION: Elizabeth City/Union Cty. **BUSINESS:** Not-for-profit economic
development organization
AMENDED RESOLUTION TO: enable the applicant to advance refund the principal amount of
the 1997 bonds and pay costs of issuance to be underwritten by Powell Capital Markets. Subject to
Elizabeth adopting deficiency agreement.
MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Bauer **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 4
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: Brookfield Schools Incorporated **APPL.#17758**
LOCATION: Multi City/Camden Cty. **BUSINESS:** Not-for-profit alternative school
PROCEEDS FOR: bldg. renov./refinancing
FINANCING: Not to exceed \$4,000,000 Tax-Exempt Bonds
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Visiting Nurse Association Home Care, Inc. **APPL.#17672**
LOCATION: Moorestown Twp./Burlington Cty. **BUSINESS:** Not-for-profit home health care provider
PROCEEDS FOR: bldg. renov.
FINANCING: \$900,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 6
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: Advanced Drainage Systems, Inc. **APPL.#17774**
LOCATION: Logan Twp./Gloucester Cty. **BUSINESS:** Producer of polyethylene pipe
PROCEEDS FOR: bldg. & road constr./equip. purch. & renov.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PROJECT: H2O Entertainment Group, LLC **APPL.#17731**
LOCATION: Berlin Twp./Camden Cty. **BUSINESS:** Indoor water park
PROCEEDS FOR: bldg. & road constr./equip. purch.
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PROJECT: Phoenix Container, Inc. **APPL.#17729**
LOCATION: North Brunswick Twp./Middlesex Cty. **BUSINESS:** Mfr. of steel pails
PROCEEDS FOR: equip. purch
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Sheridan **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PUBLIC HEARING

PROJECT: Joseph P. Hayes Theater, Inc. **APPL.#17761**
LOCATION: Beach Haven Boro./Ocean Cty. **BUSINESS:** Not-for-profit theater
PROCEEDS FOR: refunded bond
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

STRUCTURED FINANCE

PROJECT: Lehman Brothers Holdings Inc. **APPL.#16988**
LOCATION: Piscataway Twp./Middlesex Cty.
FINANCING: to approve the request to receive sales tax exemption on purchases up to \$125,000,000, with an expected sales tax benefit estimated at \$8,750,000.
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Plofker **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Anto Cheese, LLC for the benefit of Antonio **APPL.#17685**
Mozzarella Factory, Inc.
LOCATION: Newark City/Essex Cty. **BUSINESS:** Mfr. of cheese
PROCEEDS FOR: bldg. acqui. & renov./equip. purch
FINANCING: \$2,700,000 Tax-Exempt Bond
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Carden **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 11
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Anto Cheese, LLC for the benefit of Antonio **APPL.#17686**
Mozzarella Factory, Inc.
LOCATION: Newark City/Essex Cty. **BUSINESS:** Mfr. of cheese
PROCEEDS FOR: bldg. acqui. & renov./equip. purch
FINANCING: \$500,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Kirschner **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

DIRECT LOANS

PROJECT: Newark Refrigerated Warehouse, Inc. **APPL.#17272**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Public refrigerated warehouse
PROCEEDS FOR: refinancing
FINANCING: \$750,000 Direct loan
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. McNamara **AYES: 13**
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

STATEWIDE LOAN POOL PROGRAM

PROJECT: American Sensor Technologies, Inc. **APPL.#17742**
LOCATION: Mount Olive Twp./Morris Cty. **BUSINESS:** Producer of pressure sensor products
PROCEEDS FOR: refinancing
FINANCING: \$2,000,000 bank loan with a \$500,000 (25%) participation and a 30% four year guarantee of principal outstanding not to exceed \$450,000.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

NEW MARKETS LOAN PROGRAM

PROJECT: Performa Trenton, LLC **APPL.#16998**
LOCATION: Trenton City/Mercer Cty. **BUSINESS:** Real estate development and management company
PROCEEDS FOR: bldg. constr.
FINANCING: \$10,000,000
MOTION TO APPROVE: Mr. Plofker **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

FILM TAX CREDIT TRANSFER PROGRAM

The next item was the approval of the following Film Tax Credit project.

<u>App. #</u>	<u>Applicant Name</u>	<u>Estimated Tax Benefit Amount</u>
#6	Dancing Elk Productions, LLC	\$ 1,270,114

MOTION TO APPROVE: Mr. Carden **SECOND:** Ms. Bauer **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 16
Subject to the review of Treasurer's Office, and Attorney Generals office regarding the 2007 fiscal allocation year.

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The following projects presented were grants under the NJDEP Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund Program.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Antonio Pinto and Maria Pinto **APPL.#17664**
LOCATION: Dover Twp./Ocean Cty.
PROCEEDS FOR: site remediation
FINANCING: \$125,000 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Joseph Pizzuto-Pomaco and Julia Pizzuto-Pomaco **APPL.#17665**
LOCATION: Woodbury Heights/Gloucester Cty.
PROCEEDS FOR: site remediation
FINANCING: \$111,405 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 October 2006. **(For Informational Purposes Only)**

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following project presented was a loan under the Hazardous Discharge Site Remediation Fund Program.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

PROJECT: Foster's Auto Service, Inc. **APPL.#17361**
LOCATION: Wall Twp./Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$49,755 NJDEP Hazardous Discharge Site Remediation Fund loan

EDISON INNOVATION FUND

PROJECT: Nistica Incorporated **APPL.#17582**
LOCATION: Bridgewater Twp./Somerset Cty. **BUSINESS:** Optical networking company
PROCEEDS FOR: equip. purch
FINANCING: \$1,000,000 Edison Innovation Fund Investment
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Plofker **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

PROJECT: Signum Biosciences, Inc. **APPL.#17385**
LOCATION: S. Brunswick Twp./Middlesex Cty. **BUSINESS:** Biotechnology company
PROCEEDS FOR: growth capital
FINANCING: \$1,000,000 Edison Innovation Fund Investment
MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: BlackRock Financial Management, Inc. **APPL.#17748**
LOCATION: TBD **BUSINESS:** Global investment management company
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: CMDC Guaranty Company Inc. **APPL.#17756**
LOCATION: Jersey City/Hudson Cty. **BUSINESS:** Insurance company
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: Givaudan Fragrances Corporation **APPL.#17740**
LOCATION: East Hanover Twp./Morris Cty. **BUSINESS:** Mfr. of fragrances
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
This matter has been held from consideration.

PROJECT: Impliant, Inc. **APPL.#17732**
LOCATION: TBD **BUSINESS:** Developer of a posterior
motion preservation system
GRANT AWARD: 30% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Bauer **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

BOARD MEMORANDUMS

PROJECT: Cornucopia Cruise Line, Inc. **APPL.#16955**
LOCATION: Perth Amboy/Middlesex Cty.
MODIFICATION: to extend the Authority's commitment for a \$315,067 Local Development
Financing Fund loan for six months to April 30, 2007.
MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Davis **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

The next item was the approval to make a \$5,000,000 investment in SAS Investors II, L.P.
This matter has been held from consideration.

The next item was the approval of the following projects under Delegated Authority for the month
of October 2006: **(For Informational Purposes Only)**

New Jersey Business Growth Fund: McCormick Bindery, Inc.

Loan Modifications: Cornucopia Cruise Line

REAL ESTATE

The next item was the approval to authorize the Chief Executive Officer or her designee to serve as
an ex-officio member of the board of directors for a to be formed entity, Aviation Research &
Technology Park of New Jersey, Inc.

MOTION TO APPROVE: Mr. Plofker **SECOND:** Ms. Davis **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 22

The next item was the approval to extend until December 31, 2009 the original memorandum of understanding with the Port Authority of New York and New Jersey regarding the conduct and funding of Portfields development feasibility, planning studies and implementation activities for projects which will positively impact the Port Authority of New York and New Jersey facilities in New Jersey, with the understanding that each party will maintain its \$900,000 contribution commitment under the original memorandum of understanding for these purposes, subject to certain conditions.

MOTION TO APPROVE: Ms. Bauer **SECOND:** Mr. Kirschner **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 23

PUBLIC COMMENT

There was no comment from the public.

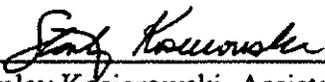
EXECUTIVE SESSION

At this time on a motion made by Mr. Plofker, and seconded by Mr. Kirschner, the members adjourned to go into Executive Session to discuss two litigation matters.

MOTION TO APPROVE: Mr. Piana **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 24

There being no further business on a motion by Mr. Piana, and seconded by Mr. McNamara, the meeting was adjourned at 11:26 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.



Stanley Kosierowski, Assistant Secretary