

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

December 13, 2004

MINUTES OF THE MEETING

Members of the Authority present: Al Koepp, Chairman; Joseph McNamara, Vice Chairman; Joseph Grossi representing the Secretary of the NJ Commerce and Economic Growth Commission; Joseph Latoof representing the Commissioner of the Department of Labor and Workforce Development; Michael Sheridan representing the Commissioner of the Department of Banking and Insurance; Bernie Piaia representing the Commissioner of Education; Tom Wilson, Ciro Scalera, Carlos Medina, Jack Kocsis, Jr., and Timothy Carden, Public Members; Dennis Shah and Steven Denholtz, Alternate Public Members.

Absent from the meeting: State Treasurer John McCormac; Joan Verplanck, Public Member; and Rodney Sadler, non-voting member.

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

Chairman Koepp called the meeting to order at 10:05.

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 first item of business was the approval of the November 9, 2004 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Koscis, seconded by Mr. Carden and was approved by the 11 Members present.

Mr. Latoof entered the meeting at this time.

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

BOND RESOLUTIONS

PROJECT: EMI Edge, LLC for the benefit of **APPL.#16187**
ECI Technology, Inc.
LOCATION: Totowa Boro./Passaic Cty. **BUSINESS:** Mfr. of analytical
instrumentation
PROCEEDS FOR: bldg. & land acqui./ equip. purch.
FINANCING: \$4,500,000 Tax exempt bond (maximum)
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Sheridan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

PROJECT: The First Occupational Center of **APPL.#14311**
New Jersey, Incorporated
LOCATION: Bloomfield Town/Essex Cty. **BUSINESS:** Not-for-profit rehabilitation
center
PROCEEDS FOR: equip. purch.
FINANCING: \$1,170,000 Tax exempt bond (maximum)
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. McNamara **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Uncommon Schools, Inc. **APPL.#16211**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Not-for-profit school
PROCEEDS FOR: refinancing
FINANCING: \$675,000 Tax exempt bond (maximum)
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 3

AMENDED BOND RESOLUTION

The next item was the approval to adopt the Eleventh Supplemental School Facilities Construction Bond Resolution authorizing the issuance of the 2005 Series K Bonds in an amount not to exceed \$700 million to restructure and refund all or a portion of the Refunded Bonds and other matters in connection with the issuance and sale thereof; authorize the use of professionals, authorize the reduction in closing fee and authorize Authority Staff to take all necessary actions incidental to the issuance of the 2005 Series K Bonds, subject to final review and approval of all terms and documentation by the Bond Counsel and Attorney General's Office.

MOTION TO APPROVE: Mr. Kocsis **SECOND:** Mr. Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 4

PRELIMINARY RESOLUTIONS

PROJECT: Epiphany House, Inc. **APPL.#16316**
LOCATION: Neptune Twp./Monmouth Cty. **BUSINESS:** Addiction treatment program
PROCEEDS FOR: bldg. acqui.
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 5

PROJECT: Multi-Fab Sales & Services, Inc. for the benefit **APPL.#16321**
of Wire Cloth Manufacturers, Inc.
LOCATION: Rockaway Boro./Morris Cty. **BUSINESS:** Fabricator of wire cloths
PROCEEDS FOR: bldg. acqui. & renov./road constr.
This matter was held from consideration.

Mr. Scalera entered the meeting at this time.

PROJECT: Plumbers & Pipefitters Local Union No 9, **APPL.#16322**
Home Inc. for the benefit of United Association of Journeymen & Apprentices
LOCATION: E. Windsor Twp./Mercer Cty. **BUSINESS:** Plumbers Union
PROCEEDS FOR: bldg. constr./land acqui.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Scalera **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

PROJECT: Shore Pride, Inc. for the benefit of P&M, Inc. **APPL.#16326**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Meat processor
PROCEEDS FOR: bldg. acqui. & renov.
This matter was held from consideration.

PROJECT: St. Philips Academy, Newark Inc. **APPL.#16329**
LOCATION: Newark City/Essex Cty. **BUSINESS:** Not-for-profit school
PROCEEDS FOR: bldg. renov./land acqui.
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

STRUCTURED FINANCE

PROJECT: Lehman Brothers Inc. and Aurora Loan **APPL.#16329**
Services Inc. or other
LOCATION: Various/Variou **BUSINESS:** Global investment bank
PROCEEDS FOR: equip. purch./bldg. acqui. & renov.
FINANCING: \$2,988,000 Sales tax exemption
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Clinton Block LLC. or nominee **APPL.#15753**
LOCATION: Union Twp./Hunterdon Cty. **BUSINESS:** Mfr. of concrete blocks
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
FINANCING: \$5,400,000 Tax exempt bond
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Grossi **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: YWCA of Central New Jersey, Inc. **APPL.#14991**
LOCATION: Plainfield City/Union Cty. **BUSINESS:** Community center
PROCEEDS FOR: bldg. renov./equip. purch.
FINANCING: \$1,375,000 Tax exempt bond (Part of a \$2,250,000 tax exempt bond issue with a 22% EDA guaranty not to exceed \$500,000 for 5 years)
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: YWCA of Central New Jersey, Inc. **APPL.#16270**
LOCATION: Plainfield City/Union Cty. **BUSINESS:** Community center
PROCEEDS FOR: refunding
FINANCING: \$875,000 Tax exempt bond (Part of a \$2,250,000 tax exempt bond issue with a 22% EDA guaranty not to exceed \$500,000 for 5 years)
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Grossi **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

PROJECT: YWCA of Central New Jersey, Inc. **APPL.#16266**
LOCATION: Plainfield City/Union Cty. **BUSINESS:** Community center
PROCEEDS FOR: bldg. renov./equip. purch.
FINANCING: \$750,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

DIRECT LOANS

PROJECT: Clinton Block LLC. or Nomine **APPL.#16136**
LOCATION: Clinton Town/Hunterdon Cty. **BUSINESS:** Mfr. of concrete blocks
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
FINANCING: \$750,000
MOTION TO APPROVE: Mr. Denholtz **SECOND:** Mr. Scalera **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

STATEWIDE LOAN POOL PROGRAM

PROJECT: Premier Graphics, Inc. **APPL.#16312**
LOCATION: Atlantic Highlands Boro./Monmouth Cty. **BUSINESS:**Lithographic printing services
PROCEEDS FOR: equip. purch
FINANCING: \$1,685,000 with \$421,250 (25%) Authority Participation
MOTION TO APPROVE: Mr. Carden **SECOND:** Mr. Piaia **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: RGND Real Estate, LLC for the benefit of ID Partners, Inc. **APPL.#16323**
LOCATION: Pennsauken Twp./Camden Cty. **BUSINESS:** Logo merchandiser
PROCEEDS FOR: bldg. acqui. & renov.
FINANCING: \$500,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: ACS Enterprise Solutions, Inc. **APPL.#16320**
LOCATION: Hamilton Twp./Mercer Cty. **BUSINESS:** Information technology
GRANT AWARD: 80% Business Employment Incentive grant, 7 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Scalera **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 15 **Mr. Carden abstained because he has a professional relationship with the company.**

PROJECT: The Children's Place Retail Stores, Inc. and subsidiary companies **APPL.#16281**
LOCATION: Seacaucus Town/Hudson Cty. **BUSINESS:** Retailer of children's apparel
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Cuisine Innovations, LLC & Bon Appetizers, LLC **APPL.#16297**
LOCATION: Lakewood Twp./Ocean Cty. **BUSINESS:** Mfr. of appetizers
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Grossi **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Dava Pharmaceuticals, Inc. **APPL.#16216**
LOCATION: Fort Lee Boro./Bergen Cty. **BUSINESS:** Generic drug distributor
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Home Decor Products, Inc. **APPL.#16307**
LOCATION: Sparta Twp./Sussex Cty. **BUSINESS:** Internet home decor business
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Medina **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: MRS Associates, Inc. **APPL.#16318**
LOCATION: Cherry Hill Twp./Camden Cty. **BUSINESS:** Account receivables
management company
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Magnolia Broadband, Inc. **APPL.#16214**
LOCATION: Bedminster Twp./Somerset Cty. **BUSINESS:** Semiconductor company
GRANT AWARD: 50% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Sheridan **SECOND:** Mr. Grossi **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Phytrix Inc. **APPL.#16222**
LOCATION: North Brunswick Twp./Middlesex Cty. **BUSINESS:** Pharmaceutical company
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Sony BMG Music Entertainment **APPL.#16280**
LOCATION: Lyndhurst Twp./Bergen Cty. **BUSINESS:** Music company
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. McNamara **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Technological Building Structures USA LLC **APPL.#16301**
LOCATION: Phillipsburg Town/Warren Cty. **BUSINESS:** Mfr. of wall panels & wood floors
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Scalera **SECOND:** Mr. Kocsis **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Valera Pharmaceuticals, Inc. **APPL.#16247**
LOCATION: Cranbury Twp./Middlesex Cty. **BUSINESS:** Pharmaceutical company
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: ZOOTS Corporation **APPL.#16310**
LOCATION: Fairfield Twp./Essex Cty. **BUSINESS:** Dry cleaning company
GRANT AWARD: 40% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Medina **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

BOARD MEMORANDUMS

The next item was the approval of the delegation of staff authority to the Chief Executive Officer and Chief Operating Officer or Senior Vice President to approve the inclusion of Professional Employment Organization companies under the Business Employment Incentive Program grant.

MOTION TO APPROVE: Mr. Denholtz **SECOND:** Mr. Piaia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16 **Mr. Scalera abstained because he works for Verizon who received a BEIP and there could be a potential conflict.**

PROJECT: The Kintock Group of Newark, Inc. **APPL.#10563**
LOCATION: Bridgeton/Cumberland Cty.
MODIFICATION: to approve the consent of the assumption of the bond and transfer of the guarantee of the bond balance from Bank of America to Wilmington Trust.
MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

PROJECT: Templer Associates, LLC

APPL.#07598

LOCATION: Elizabeth City/Union Cty.

MODIFICATION: approve a 6-month maturity extension to enable them to obtain conventional financing.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Sheridan **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 18

The next item was the approval of MGM Computer Systems, Inc. to move forward in the Tax Certificate Transfer Program.

MOTION TO APPROVE: Mr. Scalera **SECOND:** Mr. Sheridan **AYES:** 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 19 **Mr. Denholtz abstained because of potential conflict with other clients that are eligible for Tax Transfer benefits.**

The next item was the approval to write off the following loans with or without recourse based upon the very limited potential for realizing any future recovery: Finishing Touch Embroideries, Inc., Indigo B2B.com (without recourse) and Unicorn Publishing House, Inc.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Medina **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 20

The next item was the approval of the following loans under the New Jersey Business Growth Fund Program: Panther Technologies, Inc., Bruce Frey d/b/a Alpha Veterinary, Joseph Lebovic d/b/a Fairview Vision, Fanelli Enterprises, LLC and Unette Corp.

(For Informational Purposes Only)

REAL ESTATE DIVISION

The next item was the approval to enter into a 99-year ground lease with the Technology Centre of New Jersey, LLC for 30,000 square feet of land and parking rights for 120 spaces.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 21

The next item was the approval to enter into a lease with Novo Nordisk Pharmaceuticals, Inc. for approximately 30,000 square feet of research and development space in the Tech IV building at the Technology Centre of New Jersey.

MOTION TO APPROVE: Mr. McNamara **SECOND:** Mr. Grossi **AYES:** 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 22

Mr. Wilson left the meeting at this time.

PROJECT: Carmen Defeo for the benefit of Al's Luncheonette **APPL.#16221**
LOCATION: Egg Harbor City/Atlantic Cty.
PROCEEDS FOR: site remediation
FINANCING: \$13,745 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Thomas Eisele and Lisa Eisele **APPL.#16076**
LOCATION: Gloucester Twp./Camden Cty.
PROCEEDS FOR: site remediation
FINANCING: \$5,031 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Jay Ellis **APPL.#16223**
LOCATION: Morristown Town/Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: \$132,772 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: William Pohlman, Jr. for the benefit of Pohlman's Gulf Service **APPL.#16144**
LOCATION: Paterson City/Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: \$30,447 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Andrew Windisch and Martha Windisch **APPL.#16080**
LOCATION: Woodland Twp./Burlington Cty.
PROCEEDS FOR: site remediation
FINANCING: \$78,781 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

NJDEP HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The next items presented were municipal grants under the NJDEP Hazardous Discharge Site Remediation Fund Program.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 25

PROJECT: City of Asbury Park **APPL.#16299**
(28 various sites)
LOCATION: Asbury Park City/Monmouth Cty.
PROCEEDS FOR: site remediation
FINANCING: \$48,213 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: City of Bridgeton **APPL.#15815**
(Former Four Stars Facility)
LOCATION: Bridgeton City/Cumberland Cty.
PROCEEDS FOR: site remediation
FINANCING: \$9,080 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: Borough of Florham Park **APPL.#16242**
(Onorato Construction Yard)
LOCATION: Florham Park Boro./Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: \$83,061 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: City of Hoboken **APPL.#16258**
(Old Todd Shipyard)
LOCATION: Hoboken City/Hudson Cty.
PROCEEDS FOR: site remediation
FINANCING: \$19,893 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: City of Perth Amboy Redev. Auth. **APPL.#16296**
(1027 State Street)
LOCATION: Perth Amboy City/Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: \$35,483 NJDEP Hazardous Discharge Site Remediation municipal grant

PROJECT: City of Pleasantville **APPL.#16257**
(Duell Fuel)
LOCATION: Pleasantville City/Atlantic Cty.
PROCEEDS FOR: site remediation
FINANCING: \$4,856 NJDEP Hazardous Discharge Site Remediation municipal grant

Mr. Wilson left the meeting at this time.

AUTHORITY MATTERS

The next item was the presentation of a Strategic Business Focus for the New Jersey Economic Development Authority. **(For Informational Purposes Only.)**

The next item was the approval of the Authority's 2005 administrative budget and operational plan.

MOTION TO APPROVE: Mr. Scalera **SECOND:** Mr. Piaia **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 26

The next item was the approval of the Audit Committee Charter, and to authorize the Audit Committee to make amendments, as predicated by new best practices and new legal or regulatory requirements.

MOTION TO APPROVE: Mr. Piaia **SECOND:** Mr. Carden **AYES:** 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 27

EXECUTIVE SESSION

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

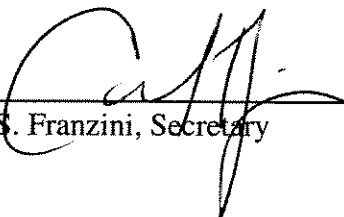
RESOLUTION ATTACHED AND MARKED EXHIBIT 28

PUBLIC COMMENT

There was no comment from the Public.

There being no further business on a motion by Mr. Denholtz, and seconded by Mr. Grossi, the meeting was adjourned at 11:55.

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