NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
March 14, 2006

MINUTES OF THE MEETING

Members of the Authority present: Carl Van Horn, Chairman; Joseph McNama, Vice Chairman; Secretary Bauer of the NJ Commerce, Economic Growth and Tourism Commission; Bob Smartt, representing the State Treasurer; 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; Timothy Carden, Carlos A. Medina, Charles Sarlo, Steve Plofker, and Philip Kirschner, Public Members; Raymond Burke, Alternate Public Member; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Jack Kocsis, Jr., Public 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 Van Horn called the meeting to order at 10:03.

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.

Ms. Franzini welcomed Mr. Van Horn as the new Chairman of the Board. Mr. Van Horn stated he was honored to be asked by the Governor to lead the Board and expressed his enthusiasm for working together with the Members and the Authority staff in a strategic way that supports the Governor’s goals for growing New Jersey’s economy.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the February 14, 2006 meeting minutes of the Board. A motion was made to approve the minutes by Mr. McNamara, seconded by Mr. Carden and was approved by the 12 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 Acorn Montessori School Inc. LOCATION: Clinton Twp./Hunterdon Cty. APPL.#16457
FINANCING: $2,700,000 Tax-exempt bond
This matter has been held from consideration.

PROJECT: M & A Holdings, LLC LOCATION: Camden City/Camden Cty. APPL.#17122
FINANCING: $2,100,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Plofker AYES: 12
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: Pennsauken Senior Living, LLC LOCATION: Pennsauken Twp./Camden Cty. APPL.#17119
FINANCING: $12,000,000 Series A Taxable bonds, $3,000,000 Series B Taxable bonds
Mr. Carden asked the underwriter’s representative, Jerry Farrell of the GMS Group, LLC, to explain the bond structure. Mr. Farrell explained that due to the history of the project, the deal is considered a turn-around that would not be rated. The higher rates reflect that the deal is a work out and the firm anticipates refunding in three years after the project’s renovations are complete, occupancy rate increases, new operating procedures are in effect etc. Mr. Carden then asked about the fees in the deal. Mr. Farrell responded that the fees reflect legal fees, an underwriters fee of 2%, an interest rate cap that is factored in, and a subordinate servicing fee for three years that is being paid up front from proceeds. Mr. Carden asked Mr. Kaplan, principal of managing member KDG Pennsauken, LLC, if he was comfortable with the fee structure. Mr. Kaplan responded affirmatively.
MOTION TO APPROVE: Mr. Sheridan SECOND: Ms. Bauer AYES: 12
PUBLIC COMMENT: None

RESOLUTION ATTACHED AND MARKED EXHIBIT 1
RESOLUTION ATTACHED AND MARKED EXHIBIT 2
COMBINATION PRELIMINARY AND BOND RESOLUTION

PROJECT: Dilmax, LLC for the benefit of Novell Enterprises, APPL.#17143 Inc.
LOCATION: Rahway City/Union Cty. BUSINESS: Mfr. & designer of jewelry
FINANCING: $1,500,000 Tax-exempt bond
MOTION TO APPROVE: Ms. Bauer SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 3
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PRELIMINARY RESOLUTIONS

PROJECT: CST Products, LLC APPL.#17189
LOCATION: Oldmans Twp./Salem Cty. BUSINESS: Mfr. of wall products
FINANCING: bldg. constr./equip. purch
MOTION TO APPROVE: Mr. McNamara SECOND: Mr. Plofker AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 4

Mr. Piaia entered the meeting at this time.

PROJECT: New Dimensions Community Development APPL.#17183 Corporation for the benefit of Yes, Lord Ministry
LOCATION: Newark City/Essex Cty. BUSINESS: Not-for-profit community development corporation
FINANCING: bldg. constr.
MOTION TO APPROVE: Mr. McNamara SECOND: Ms. Bauer AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 5
Subject to review of Attorney General’s office of church/state issue.

PROJECT: Paddock Realty LLC for the benefit of Titanium APPL.#17169 Industries, Inc.
LOCATION: Rockaway Twp./Morris Cty. BUSINESS: Titanium fabricator
FINANCING: bldg. acqui. & renov. 
MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Plofker AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

PROJECT: 686 Passaic Avenue, L.L.C. APPL.#17171
LOCATION: West Caldwell Boro./Essex Cty. BUSINESS: Assembler & installer of replacement windows
PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia    SECOND: Mr. Kirschner    AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PROJECT: Stellar Building Products, Inc.          APPL.#13579
LOCATION: North Bergen Twp./Hudson Cty.   BUSINESS: Mfr. of replacement windows
and doors

PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. Sheridan    SECOND: Mr. Carden    AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PROJECT: Sultan Healthcare, Inc.          APPL.#17173
LOCATION: Englewood City/Bergen Cty.   BUSINESS: Mfr. of pharmaceuticals

PROCEEDS FOR: bldg. renov./equip. purch.
MOTION TO APPROVE: Mr. Kirschner    SECOND: Ms. Bauer    AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

PROJECT: Superflex Ltd.          APPL.#17130
LOCATION: Edison Twp./Middlesex Cty.   BUSINESS: Mfr. of reinforced hoses

PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. Piaia    SECOND: Mr. McNamara    AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

PROJECT: The Frisch School          APPL.#17196
LOCATION: Paramus Boro/Bergen Cty.   BUSINESS: Not-for-profit Jewish high school

PROCEEDS FOR: refinancing/bldg. constr. & renov.
MOTION TO APPROVE: Ms. Bauer    SECOND: Mr. Carden    AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11
Subject to review of Attorney General’s office of church/state issue.

PROJECT: RBD Property Management LLC for the benefit of D&N Machine Manufacturing, Inc.          APPL.#17192
LOCATION: West Deptford Twp./Gloucester Cty.   BUSINESS: Mfr. of sheet metal

PROCEEDS FOR: bldg. acqui. & renov./equip. purch.
MOTION TO APPROVE: Mr. McNamara    SECOND: Mr. Carden    AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

STATEWIDE LOAN POOL PROGRAM

PROJECT: 5011 Circle Associates, LLC for the benefit of D&N Machine Manufacturing, Inc.          APPL.#17132
of All American Camper and RV, LLC and Monmouth Equipment and Service Company, Inc.

LOCATION: Farmingdale Boro./Monmouth Cty.  BUSINESS: Recreational vehicle company

PROCEEDS FOR: bldg. acqui.

FINANCING: $2,000,000 bank loan with a 25% ($500,000) Authority participation and a five year, 25% guarantee of principal outstanding not to exceed $375,000.

MOTION TO APPROVE: Mr. Carden  SECOND: Ms. Bauer  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 13

LOCAL DEVELOPMENT FINANCING FUND

PROJECT:  People For Animals, Inc.  APPL.#17109
LOCATION: Hillside Twp./Union Cty.  BUSINESS: Not-for-profit animal clinic

PROCEEDS FOR: bldg. acqui.

FINANCING: $300,000 bank loan with a $125,000 Authority participation

MOTION TO APPROVE: Mr. Plofker  SECOND: Ms. Bauer  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 14

ECONOMIC RECOVERY BOARD FOR CAMDEN

PROJECT:  M & A Holdings Co., L.L.C.  APPL.#17125
LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: equip. purch.

FINANCING: $900,000 Economic Recovery Board for Camden loan program

MOTION TO APPROVE: Mr. Plofker  SECOND: Mr. Carden  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT:  The Heart of Camden  APPL.#16954
LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: constr.

FINANCING: $1,150,000 Economic Recovery Board for Camden grant program

MOTION TO APPROVE: Mr. Piaia  SECOND: Mr. Latoof  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT:  YMCA of Camden County, NJ  APPL.#17094
LOCATION: Camden City/Camden Cty.

PROCEEDS FOR: bldg. renov.

FINANCING: $552,968 Economic Recovery Board for Camden grant program

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Plofker  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT:  ABC Corporation and Camden Redevelopment  APPL.#15441
Agency for the benefit of The Terraces Project

LOCATION: Camden City/Camden Cty.
MODIFICATION: to include the acquisition of 14 vacant lots on Arlington Street as a part of the Terraces Project and the reallocation of ERB funds.
MOTION TO APPROVE: Mr. McNamara   SECOND: Ms. Bauer   AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

The next item was the approval to amend the ERB Business Lease Incentive Grant Program to exclude the restriction that the annual incentive payment under this program will not exceed 80% of the annual lease payment when combined with any other governmental grants, when the grantee operates a business or technology incubator.
MOTION TO APPROVE: Mr. Carden   SECOND: Mr. Kirschner   AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 18   Chairman Van Horn recused himself because he is employed by Rutgers, a tenant in the building.

PETROLEUM UNDERGROUND STORAGE TANK LOAN 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: Ms. Bauer   AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

PROJECT: Bloomfield College   APPL.#17194
LOCATION: Bloomfield Town/Essex Cty.
PROCEEDS FOR: site remediation
FINANCING: $122,715 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Ronald Ciuffreda and Judith Ciuffreda   APPL.#16946
LOCATION: Mendham Boro./Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: $35,173 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Carmen Colon   APPL.#17110
LOCATION: Clifton City/Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: $13,514 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Ann Coppola   APPL.#15557
LOCATION: Margate City/Atlantic Cty.
PROCEEDS FOR:  site remediation
FINANCING: $68,424 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  Frank Giardina and Eileen Giardina
LOCATION: Sparta Twp./Sussex Cty.
FINANCING: $69,452 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  John Gurnari and Christina Gurnari
LOCATION: Paterson City/Passaic Cty.
FINANCING: $7,433 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  Anthony Keastead
LOCATION: Mount Olive Twp./Morris Cty.
FINANCING: $9,066 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  Laura Kelly
LOCATION: Rutherford Boro./Bergen Cty.
FINANCING: $12,724 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  Estate of Anna Mazzillo
LOCATION: Newark City/Essex Cty.
FINANCING: $9,149 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  Michal McLeod and Viola McLeod
LOCATION: Trenton City/Mercer Cty.
FINANCING: $10,929 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT:  Frank Mc Nulty and Diane Mc Nulty
LOCATION: Vernon Twp./Sussex Cty.
FINANCING: $10,550 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant
PROJECT: Ness, Inc. for the benefit of Paul’s Chatham Texaco APPL.#15899
LOCATION: Chatham Twp./Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: $34,577 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Saint Peter’s College APPL.#17181
LOCATION: Jersey City/Hudson Cty.
PROCEEDS FOR: site remediation
FINANCING: $334,655 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Michael Scaglione and Tracy Scaglione APPL.#16912
LOCATION: Wayne Twp./Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: $5,933 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Edward Thomas APPL.#17082
LOCATION: Carteret Boro./Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: $7,444 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Toledo’s Livery Service APPL.#16645
LOCATION: Paterson City/Passaic Cty.
PROCEEDS FOR: site remediation
FINANCING: $73,335 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

The next item was the Petroleum Underground Storage Tank Program’s Delegated Authority Approvals. (For Informational Purposes Only.)

HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM
The following project presented was a municipal grant under the Hazardous Discharge Site Remediation Fund Program.

MOTION TO APPROVE: Mr. Carden SECOND: Mr. McNamara AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 20

PROJECT: Township of Jefferson APPL.#17093
(Former Contex Fuel Company)
LOCATION: Roxbury Twp./Morris Cty.
PROCEEDS FOR: site remediation
FINANCING: $30,486 NJDEP Hazardous Discharge Site Remediation Municipal grant

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: AJM Packaging Corporation
LOCATION: Vineland City/Cumberland Cty.
BUSINESS: Mfr. of paper products
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden
SECOND: Mr. Kirschner
AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: Blue and White Foods, LLC
LOCATION: Vineland City/Cumberland Cty.
BUSINESS: Mfr. of Mediterranean spreads
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. McNamara
SECOND: Mr. Piaia
AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: JE Berkowitz, LP
LOCATION: Oldmans Twp./Salem Cty.
BUSINESS: Glass fabricator
GRANT AWARD: 35% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker
SECOND: Mr. Kirschner
AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: New York Produce, Inc.
LOCATION: Secaucus Town/Hudson Cty.
BUSINESS: Wholesaler of tomatoes
GRANT AWARD: 75% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia
SECOND: Mr. Sheridan
AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: The Northern Trust Company
LOCATION: Jersey City/Hudson Cty.
BUSINESS: Private banking firm
GRANT AWARD: 70% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Carden
SECOND: Mr. McNamara
AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: Outsourcing Services Group, LLC
LOCATION: Piscataway Twp./Middlesex Cty.
BUSINESS: Mfr. of healthcare items
GRANT AWARD: 65% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia
SECOND: Ms. Bauer
AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: Quaker Photo Services, Inc.  APPL.#17156
LOCATION: Moorestown Twp./Burlington Cty.  BUSINESS: Digital imaging company
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Ms. Bauer  SECOND: Mr. Kirschner  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PROJECT: True Partners Consulting, LLC  APPL.#17108
LOCATION: Roseland Boro./Essex Cty.  BUSINESS: Consulting services
GRANT AWARD: 55% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia  SECOND: Mr. Plofker  AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 21

BOARD MEMORANDUMS

The next item was the approval of the following loans under the New Jersey Business Growth Fund Program: G&B Partners, LLC (GR Packaging, Inc.), Ralf’s Heating & General Contractor, Inc., Semels Embroidery, Inc., Sispro, LLC, and SNECON, LLC and Ricetz Corporation. (For Informational Purposes Only)

The next item was the approval of the amendments to the Technology Business Tax Certificate Program and authorization to submit amendments to the program rules for promulgation in the New Jersey Register, subject to final review and approval by the Office of the Attorney General and the Office of Administrative Law.

Ms. Franzini summarized the proposed amendments to the program. Ms. Renaud observed that the Technological Viability and Competitive Advantage categories are required to be measured pursuant to the statute governing the program and the scoring should reflect that. Ms. Franzini asked staff to review this further with the Office of the Attorney General and to make any adjustments pursuant to that Office’s review.

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. McNamara  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 22

Mr. Burke left the meeting at this time.

REAL ESTATE

The next item was the approval to amend and extend the Letter of Intent between the Authority and University Heights Science Park, Inc to commence the Design Development Phase of the Digital Century Center Project.
MOTION TO APPROVE: Mr. Plofker  SECOND: Mr. Piaia  AYES: 12
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. Sheridan, and seconded by Mr. Piaia, the members adjourned to go into Executive Session to discuss pending litigation matters.

RESOLUTION ATTACHED AND MARKED EXHIBIT 24

There being no further business on a motion by Mr. Ploftker, and seconded by Mr. Sarlo, the meeting was adjourned at 11:40 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