MINUTES OF THE MEETING

Members of the Authority present: Al Koepe, Chairman; Joseph McNamara, Vice Chairman; Joseph Grossi representing the NJ Commerce and Economic Growth Commission; Daniel Levine representing the State Treasurer; Joseph Latof 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; Ciro Scalera, Tom Wilson, Jack Kocsis, Jr., Joan Verplanck, Timothy Carden and Carlos Medina, Public Members; Dennis Shah, Alternate Public Member; Rodney Sadler, non-voting member.

Absent from the meeting: Steven Denholtz, Alternate 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 Koepe called the meeting to order at 10:09.

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 September 14, 2004 meeting minutes of the Board. A motion was made to approve the minutes by Mr. Piaia, seconded by Mr. Carden and was approved by the 13 Members present.

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

Mr. Wilson entered the meeting at this time.
BOND RESOLUTIONS

The next item was the approval of the Business Employment Incentive Program Bonds, 2004 Series A and Series B Third Supplemental Resolution and authorization of the use of Wilentz, Goldman & Spitzer, P.A. as Bond Counsel, Morgan Stanley & Co. Incorporated as Managing Underwriter, Public Financial Management, Inc. as Financial Advisor and Wachovia Bank, N.A. as Trustee.

MOTION TO APPROVE: Mr. Carden
SECOND: Mr. McNamara
AYES: 12

RESOLUTION ATTACHED AND MARKED EXHIBIT 1
Mr. Scalera recused himself because Verizon is a BEIP recipient.

PROJECT: Arcee Properties LLC for the benefit of Royal Bed Frame Inc. APPL.#16064
LOCATION: Irvington Twp./Essex Cty.
BUSINESS: Mfr. of steel accessories for bedding

PROCEEDS FOR: bldg. acqui. & renov.
FINANCING: $900,000 Tax-Exempt Bond

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

RESOLUTION ATTACHED AND MARKED EXHIBIT 2

PROJECT: Egenolf Early Childhood Center Association APPL.#16097
LOCATION: Elizabeth City/Union Cty.
BUSINESS: Child Care center

PROCEEDS FOR: bldg. constr. & renov.
FINANCING: $2,475,000 Tax-Exempt Bond

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

RESOLUTION ATTACHED AND MARKED EXHIBIT 3

PROJECT: The Hun School of Princeton APPL.#15719
LOCATION: Princeton Twp./Mercer Cty.
BUSINESS: Not-for-profit private school

PROCEEDS FOR: bldg. constr./refinancing
FINANCING: $13,250,000 Tax-Exempt Bond (Part of a $17,000,000 Tax-Exempt Bond Issue)

PROJECT: The Hun School of Princeton APPL.#16182
LOCATION: Princeton Twp./Mercer Cty.
BUSINESS: Not-for-profit private school

PROCEEDS FOR: refunding
FINANCING: $3,750,000 Tax-Exempt Bond (Part of a $17,000,000 Tax-Exempt Bond Issue)

MOTION TO APPROVE: Mr. Piaia
SECOND: Ms. Verplanck
AYES: 13

RESOLUTION ATTACHED AND MARKED EXHIBIT 4
AMENDED BOND RESOLUTION

PROJECT: The Trustees of The Lawrenceville School            APPL.#16156
LOCATION: Lawrence Twp./Mercer Cty.                    BUSINESS: Not-for-profit School
AMENDED RESOLUTION TO: approve a tax exempt bond issue not to exceed $17,500,000
to advance refund the outstanding balance of the 1996 Series A Bonds and pay costs of issuance.
MOTION TO APPROVE: Mr. Piaia                        SECOND: Mr. Carden     AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 5
PUBLIC HEARING: Yes
PUBLIC COMMENT: None

PROJECT: State Lease Revenue Refunding Bonds            APPL.#15682
LOCATION: Various/Various                              BUSINESS: State office
AMENDED RESOLUTION TO: modify the March 9, 2004 Resolution to reflect NW Capital
as Managing Underwriter on the transaction.
MOTION TO APPROVE: Mr. Piaia                         SECOND: Mr. Sheridan   AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

COMBINATION PRELIMINARY AND BOND RESOLUTIONS

PROJECT: MCR Direct Mail, LLC                          APPL.#13835
LOCATION: Swedesboro Boro./Gloucester Cty.             BUSINESS: Direct mail service provider
PROCEEDS FOR: equip. purch.
FINANCING: $3,500,000 Tax-Exempt Bond
MOTION TO APPROVE: Mr. Piaia                         SECOND: Mr. Wilson     AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 7

PRELIMINARY RESOLUTIONS

PROJECT: Somerset Valley YMCA                         APPL.#16181
LOCATION: Various/Somerset Cty.                     BUSINESS: Not-for-profit community
PROCEEDS FOR: refinancing
MOTION TO APPROVE: Mr. Piaia                      SECOND: Mr. Sheridan     AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

PROJECT: ECI Tecnology                                APPL.#16187
LOCATION: Totowa Boro/Passaic Cty.                   BUSINESS: mfr. of analytical
PROCEEDS FOR: land & bldg aqui, & equip. purch.
MOTION TO APPROVE: Mr. Piaia                      SECOND: Mr. Scalera      AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

3
PUBLIC HEARING ONLY

PROJECT: Clinton Block LLC.  APPL.#15753
LOCATION: Union Twp./Hunterdon Cty.  BUSINESS: Mfr. of concrete blocks
PROCEEDS FOR: bldg. renov. & acqui./equip. purch.
PUBLIC HEARING ONLY - NO RESOLUTION REQUIRED
PUBLIC COMMENT: None

RENEWAL COMMUNITY COMMERCIAL REVITALIZATION
DEDUCTION PROGRAM

The next item was the approval of Claremont Clinton, L.L.C. under the Renewal Community Commercial Revitalization Deduction Program. The applicant scored a satisfactory score of eight to qualify for this deduction.
MOTION TO APPROVE: Mr. Piaia  SECOND: Mr. Latooft  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

ECONOMIC RECOVERY BOARD FOR CAMDEN

The next item was the approval of the funding authorization for a $3,910,500 grant to the Camden Redevelopment Agency to help fund the construction of temporary parking facilities in the Central Waterfront neighborhood for use for the Tweeter Center events, and for buses and employees of other waterfront attractions.
MOTION TO APPROVE: Mr. Piaia  SECOND: Mr. Grossi  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

The next item was the approval of the funding authorization for a $100,000 recoverable grant to the Cathedral Soup Kitchen to help fund predevelopment costs with funds provided from the Demolition and Redevelopment Financing Fund.
MOTION TO APPROVE: Mr. Piaia  SECOND: Mr. Medina  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

The next item was the approval of the change to the program guideline’s description of eligible uses of recoverable grants and method of repayment to include disbursements from construction or permanent financing.
MOTION TO APPROVE: Mr. Piaia  SECOND: Mr. Carden  AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: Amdocs, Inc.  APPL.#16157
LOCATION: Jersey City/Hudson Cty.  BUSINESS: Software products services
GRANT AWARD: 80%  Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Sheridan        SECOND: Mr. Grossi        AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: Corporate Synergies Group, Inc.        APPL.#16160
LOCATION: Mt. Laurel Twp./Burlington Cty.        BUSINESS: Consulting Services provider
GRANT AWARD: 80%  Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia        SECOND: Mr. Grossi        AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

PROJECT: The Glass Group, Inc.            APPL.#16054
LOCATION: Millville City/Cumberland Cty.        BUSINESS: Mfr. of molded glass
GRANT AWARD: 60%  Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia        SECOND: Ms. Verplanck        AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 13
The grant award percentage may increase as a result of a jobs at risk analysis being performed.

PROJECT: Medidata Solutions, Inc.            APPL.#16152
LOCATION: Edison Twp./Middlesex Cty.        BUSINESS: Data management services
GRANT AWARD: 55%  Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia        SECOND: Mr. Grossi        AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

Mr. Scalera left the meeting at this time.

BOARD MEMORANDUMS

PROJECT: APD Realty, LLC            APPL.#15162
LOCATION: Paramus City/Passaic Cty.
MODIFICATION: to increase the amount of the Brownfields Redevelopment Loan approved July of 2003 from $425,000 to $750,000.
MOTION TO APPROVE: Mr. Piaia        SECOND: Mr. Carden        AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

The next item was the approval of the Business Employment Incentive Program Policy revisions including amendments to the regulations and submission to the office of Legislative Services for publication in the New Jersey Register, in addition, the Members are asked to authorize any adjustments as may be required by the Office of Administrative Law and the Office of the Attorney General.
MOTION TO APPROVE: Mr. Wilson        SECOND: Mr. Carden        AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 15
Ms. Franzini noted that over the course of the last 18 months the Business Employment Incentive program had been a subject of much analysis, including review by the BEIP Study Commission, Policy Committee of the Board, reports by the New Jersey Public Policy Perspective organization and Rutgers University Bloustein School. She then summarized the proposed changes to the program that address the recommendations of the Rutgers study; grant adjustment polices based on job creation performance; and other changes related to general policy issues. Chairman Koeppel then asked the Members for any comments or questions on the proposed program changes.

Joan Verplanck suggested that the word “cap” in the New Employment Commitment Cap policy be replaced with a word that seemed less limiting. She commended staff on the effort to improve the program but cautioned that the business community needed an assurance that the program would remain stable and not be subject to continual changes.

Tom Wilson noted that as the economic environment is subject to constant change, EDA programs must remain somewhat fluid in order to best meet the changing needs of clients. He felt it important that the EDA continue to review the program and monitor how the changes are impacting companies. He addressed Ms. Verplanck’s concerns about numerous program changes by stating that it should be made clear that the changes will be applied prospectively. He expressed a concern that the new cap on grants for jobs created over the initial approved amount would result in less jobs being created in New Jersey and suggested that the staff be vigilant in monitoring and enforcing the new policies.

Tim Carden acknowledged Caren Franzini’s commendation of the New Jersey Public Policy Perspective report on the program, noting that he serves on the Board of that organization. He suggested that application of the new policies presents an opportunity for increased good faith efforts and collaboration between the business community and the EDA to understand business needs and to enhance available programs to assist businesses and encourage job creation.

Dennis Shah stated that he believed the business community would be understanding of the proposed policies and the need to review and change the program as required by economic conditions. He noted that the commitment requirements are 10-15 years and that this time frame would usually span business and economic cycles, as well as shift changes, the business community is constantly reacting to these changes.

Chairman Koeppel noted that the policies would result in an increased obligation for enforcement. He too agreed that the EDA needed to monitor the impacts to the program and companies, as well as understand how the new policies may impact the resources required to operate the program efficiently. Ms. Franzini noted that the Division of Taxation plays an important role in administering the program.

DAG Bette Renaud noted that the regulations that implement the new performance based adjustment policies would allow for application of the sliding scale grant recapture for many
defaults under the grant agreement, in addition to the ones listed in the board memo. Additionally she noted that under the new policies, when a company falls below the minimum threshold and is in period of grant suspension, the EDA will need to interact frequently with the company to monitor its progress and the regulations allow the EDA, in order to protect its ability to recapture the grant, to terminate the grant suspension if it becomes apparent to the EDA that the company does not have a commitment to grow in New Jersey or is deteriorating financially.

Joe McNamara stated that as a member of the Policy Committee he found it very helpful to have an outside group (Rutgers) review the program, that this type of objective analysis was beneficial in placing the specific program and its impacts within the wider context of the state’s economic growth.

The next item was modifications to the Business Employment Incentive Program. (For Informational Purposes Only.)

The next item was the Delegated Authority Approvals for the Third Quarter of 2004. (For Informational Purposes Only.)

The next item was the approval of the change in the proposed allocation method for businesses eligible for the Innovation Zones Tax Certificate Transfer Incentives.

**MOTION TO APPROVE:** Mr. Piaia  **SECOND:** Mr. Wilson  **AYES:** 13
**RESOLUTION ATTACHED AND MARKED EXHIBIT 16**

The next item was the approval to recommend that two (Qmed, Inc. and Passport Corporation) out of the six declined Tax Transfer applicants be approved.

**MOTION TO APPROVE:** Mr. Piaia  **SECOND:** Mr. Sheridan  **AYES:** 13
**RESOLUTION ATTACHED AND MARKED EXHIBIT 17**

**REAL ESTATE DIVISION**

The next item was the approval to 1) designate the Chief Executive Officer and the Director of Real Estate as the Directors of Bergen of New Jersey, Inc. and Aegis Camden Partners, Inc.; and 2) designate the Chief Executive Officer, Chief Operating Officer, Senior Vice President - Programs, and Director of Real Estate, and other individual staff members, in the discretion of the Chief Executive Officer, as the Officers of Bergen of New Jersey, Inc. and Aegis Camden Partners, Inc.

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

The next item was the approval to select Ballinger as Architect/Engineer and Gilbane as Construction Manager for the Camden Parking Structure Project.

**MOTION TO APPROVE:** Mr. Carden  **SECOND:** Mr. Grossi  **AYES:** 13
**RESOLUTION ATTACHED AND MARKED EXHIBIT 19**
The next item was the approval of the reallocation of a marketing expenditure of $250,000 from the previously approved Biotechnology Council of New Jersey to the New Jersey Biotechnology and Life Science Coalition to fund New Jersey’s marketing efforts surrounding the 2005 Biotechnology Industry Organization International Convention.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT 20

The next item was the approval of the 2005 operating budgets for the Technology Centre of New Jersey, L.L.C., the Commercialization Center for Innovative Technologies and the expansion of the Commercialization Center for Innovative Technologies.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT 21

PETROLEUM UNDERGROUND STORAGE TANK LOAN PROGRAM

The following projects presented were conditional hardship grants under the NJDEP Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund Program.

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

RESOLUTION ATTACHED AND MARKED EXHIBIT 22

PROJECT: Donna Chiodi  
LOCATION: Vernon Twp./Sussex Cty.  
PROCEEDS FOR: site remediation  
FINANCING: $7,944 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Church of the Assumption  
LOCATION: Hackettstown Town/Warren Cty.  
PROCEEDS FOR: site remediation  
FINANCING: $21,019 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Robert Dalrymple and Carol Dalrymple  
LOCATION: Fredon Twp./Sussex Cty.  
PROCEEDS FOR: site remediation  
FINANCING: $12,714 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Lorraine Humecy and Madeline Humecy  
LOCATION: Jersey City/Hudson Cty.  
PROCEEDS FOR: site remediation  
FINANCING: $12,872 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant
PROJECT: James Lyons
LOCATION: Washington Twp./Mercer Cty.
PROCEEDS FOR: site remediation
FINANCING: $7,914 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Dora Minotti
LOCATION: Hamilton Twp./Mercer Cty.
PROCEEDS FOR: site remediation
FINANCING: $17,332 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Judith O’Halloran
LOCATION: Woodbridge Twp/Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: $9,698 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

PROJECT: Lucy Pignatora
LOCATION: Lodi Boro./Bergen Cty.
PROCEEDS FOR: site remediation
FINANCING: $32,562 Petroleum Underground Storage Tank Remediation, Upgrade and Closure Fund grant

NJDEP HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM
The next items were loans under the NJDEP Hazardous Discharge Site Remediation Fund Program.
MOTION TO APPROVE: Mr. Piaia
SECOND: Ms. Verplanck
AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 23

PROJECT: Foundry Street Development, LLC
LOCATION: Newark City/Essex Cty.
PROCEEDS FOR: site remediation
FINANCING: $636,800 NJDEP Hazardous Discharge Site Remediation Fund loan

PROJECT: Monroe Center Development, LLC
LOCATION: Hoboken City/Hudson Cty.
PROCEEDS FOR: site remediation
FINANCING: $3,000,000 (Maximum disbursement of $1,000,000 per calendar year) NJDEP Hazardous Discharge Site Remediation Fund loan
The next items presented were grants under the NJDEP Hazardous Discharge Site Remediation Fund Program.

**PROJECT:** Clinton Square Auto Parts Corporation  
**LOCATION:** Newark City/Essex Cty.  
**PROCEEDS FOR:** site remediation  
**FINANCING:** $11,041 NJDEP Hazardous Discharge Site Remediation grant

**PROJECT:** Estate of Dorothy Zickwolf  
**LOCATION:** Hamilton Twp./Mercer Cty.  
**PROCEEDS FOR:** site remediation  
**FINANCING:** $5,239 NJDEP Hazardous Discharge Site Remediation grant

**PROJECT:** Catherine Shouse  
**LOCATION:** Princeton Boro./Mercer Cty.  
**PROCEEDS FOR:** site remediation  
**FINANCING:** $2,150 NJDEP Hazardous Discharge Site Remediation grant

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

**PROJECT:** Township of East Brunswick  
(Former Middlesex Bus Co.)  
**LOCATION:** East Brunswick Twp./Middlesex Cty.  
**PROCEEDS FOR:** site remediation  
**FINANCING:** $134,057 NJDEP Hazardous Discharge Site Remediation municipal grant

**PROJECT:** Borough of Neptune City  
(Former East Coast Ice Co.)  
**LOCATION:** Neptune City Boro./Monmouth Cty.  
**PROCEEDS FOR:** site remediation  
**FINANCING:** $6,000 NJDEP Hazardous Discharge Site Remediation municipal grant

**PROJECT:** City of Pleasantville  
(Hospitality Linen Service)  
**LOCATION:** Pleasantville City/Atlantic Cty.  
**PROCEEDS FOR:** site remediation  
**FINANCING:** $30,926 NJDEP Hazardous Discharge Site Remediation municipal grant
PROJECT: Township of Riverside  
(Watchcase Tower Complex)  
APPL.#16159  
LOCATION: Riverside Twp./Burlington Cty.  
PROCEEDS FOR: site remediation  
FINANCING: $1,856 NJDEP Hazardous Discharge Site Remediation municipal grant  

Mr. Levine left the meeting at this time.  

AUTHORITY MATTERS  
The next item was the approval of several amendments to the By-Laws that were adopted by the Corporation Directors at its September 22, 2004 meeting of the New Jersey Schools Construction Corporation.  

MOTION TO APPROVE: Mr. Carden  
SECOND: Ms. Verplanck  
AYES: 12  
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. Carden, and seconded by Mr. Latooif, the meeting was adjourned at 11:40.  

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.  

[Signature]  
Caren S. Franzini, Secretary