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
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.
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.
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
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.
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. Ploflcer AYES: 13
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Anto Cheese, LLC for the benefit of Antonio Mozzarella Factory, Inc. APPL.#17685
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 Mozzarella Factory, Inc. APPL.#17686
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.

<table>
<thead>
<tr>
<th>App.</th>
<th>Applicant Name</th>
<th>Estimated Tax Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>#6</td>
<td>Dancing Elk Productions, LLC</td>
<td>$1,270,114</td>
</tr>
</tbody>
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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 General’s 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
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: Implant, 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)


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. Piaia  SECOND: Mr. McNamara  AYES: 13 
RESOLUTION ATTACHED AND MARKED EXHIBIT 24 

There being no further business on a motion by Mr. Piaia, 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. 

[Signature]
Stanley Kosierowski, Assistant Secretary