NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
December 12, 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; Noel McGuire representing the Secretary of the NJ Commerce, Economic Growth and Tourism Commission; James Kelly, representing the State Treasurer; Joseph Latoof representing the Commissioner of the Department of Labor and Workforce Development; Bernie Piaia representing the Commissioner of Education; Timothy Carden, Carlos A. Medina, Charles Sarlo, Thomas Manning, and Steve Plofker, Public Members; and Rodney Sadler, Non-Voting Member.

Absent from the meeting: Philip Kirschner, Public Member; and Raymond Burke and Carmen Twillie Ambar, Alternate Public Members.

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 10:01 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.

MINUTES OF AUTHORITY MEETING

The next item of business was the approval of the November 14, 2006 meeting minutes and Executive Session minutes, the November 6, 2006 special meeting minutes and the November 27, 2006 special meeting minutes of the Board. A motion was made to approve the minutes by Mr. Plofker, seconded by Mr. Carden and was approved by the 10 Members present.

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

Mr. Piaia entered the meeting at this time.
AUTHORITY MATTERS

The next item was the approval of the 2007 Strategic Business Plan.
MOTION TO APPROVE: Mr. Carden    SECOND: Mr. Manning    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 1

The next item was the approval of the 2007 Fiscal Plan.
MOTION TO APPROVE: Mr. Sheridan    SECOND: Mr. McNamara    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 2

The next item was the approval of the modifications for the Edison Innovation Fund.
MOTION TO APPROVE: Mr. Carden    SECOND: Mr. McNamara    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 3

The next item was the approval of a commitment of $268,000 for Technical Assistance to support
the Entrepreneurial Training Institute and small business development in New Jersey.
MOTION TO APPROVE: Mr. Plofker    SECOND: Mr. Piaia    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 4

PRELIMINARY RESOLUTIONS

PROJECT: 2 Fairfield Crescent, LLC    APPL.#17852
LOCATION: West Caldwell Twp./Essex Cty.    BUSINESS: Wholesale bakery
PROCEEDS FOR: equip. purch./bldg. renov.
MOTION TO APPROVE: Mr. Plofker    SECOND: Mr. Carden    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 5

PROJECT: CGI North America, Inc.    APPL.#17836
LOCATION: Jersey City/Hudson Cty.    BUSINESS: Provider of print and communications solutions
PROCEEDS FOR: equip. purch.
MOTION TO APPROVE: Mr. Carden    SECOND: Mr. Piaia    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 6

PROJECT: Newark Downtown District Management Corp.    APPL.#17841
LOCATION: Newark City/Essex Cty.    BUSINESS: Revitalize downtown Newark
PROCEEDS FOR: site improvements
MOTION TO APPROVE: Mr. Piaia    SECOND: Mr. Carden    AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 7
BOND RESOLUTIONS WITH AUTHORITY EXPOSURE

PROJECT: Joseph P. Hayes Theatre, Inc. BUSINESS: Not-for-profit theater
LOCATION: Beach Haven Boro./Ocean Cty.
PROCEEDS FOR: refunded bond
FINANCING: Series A: $2,110,000 Tax-exempt bond with a 18.96% EDA guarantee not to exceed $400,000 for 4 years; Series B-1: $1,500,000 Tax-exempt bond; Series B-2: $100,000 Tax-exempt bond
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Sheridan AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 8

AMENDED BOND RESOLUTIONS

PROJECT: Elizabeth Development Company BUSINESS: Not-for-profit economic development organization
LOCATION: Elizabeth City/Union Cty.
AMENDED RESOLUTION TO: approve an amendment to the November 14, 2006 resolution to authorize the issuance of a taxable bond not to exceed $65,000 to pay costs of issuance associated with the refunding.
MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Carden AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 9

DIRECT LOANS

PROJECT: ClassLink, Inc. BUSINESS: Provider of software and services
LOCATION: Weehawken Twp./Hudson Cty.
PROCEEDS FOR: working capital
FINANCING: $750,000 Edison Innovation Fund Investment
MOTION TO APPROVE: Mr. Sheridan SECOND: Mr. Plofker AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 10

PROJECT: VELOX Semiconductor Corporation BUSINESS: Developer of Gallium Nitride semiconductors
LOCATION: Franklin Twp./Somerset Cty.
PROCEEDS FOR: working capital
FINANCING: $1,000,000 Edison Innovation Fund Investment
MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Plofker AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 10
STATEWIDE LOAN POOL PROGRAM

PROJECT: Gloucester County Habitat for Humanity, Inc. APPL.#17668
LOCATION: Clayton Boro./Gloucester Cty. BUSINESS: Provider of low income housing

PROCEEDS FOR: bldg. acqui.
FINANCING: $337,500 bank loan with a $93,750 (27.8%) Authority participation.
MOTION TO APPROVE: Mr. Carden SECOND: Mr. Piaia AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 11

LOCAL DEVELOPMENT FINANCING FUND

PROJECT: Baker Boys, LLC APPL.#17747
LOCATION: Pleasantville City/Atlantic Cty. BUSINESS: Mfr. of Breads

PROCEEDS FOR: equip. purch.
FINANCING: $184,000 Local Development Financing Fund loan
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. McGuire AYES: 11
RESOLUTION ATTACHED AND MARKED EXHIBIT 12

Mr. Latoof entered the meeting at this time.

RENEWAL COMMUNITY COMMERCIAL REVITALIZATION DEDUCTION PROGRAM

The next item was the approval of the application for Apple Food Service of Newark, LLC for an allocation of the Commercial Revitalization Deduction Program.

MOTION TO APPROVE: Mr. McGuire SECOND: Mr. Piaia AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 13

CAMDEN ECONOMIC RECOVERY BOARD

PROJECT: Neighborhood Housing Services of Camden, Inc. APPL.#17412
LOCATION: Camden City/ Camden Cty.

PROCEEDS FOR: engineering & architectural fees/land
FINANCING: $100,000 Economic Recovery Board for Camden recoverable grant program
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Sheridan AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 14

PETROLEUM UNDERGROUND STORAGE TANK PROGRAM

The next item was the Petroleum Underground Storage Tank Program Delegated Authority Approvals for the month of November 2006. (For Informational Purposes Only)
HAZARDOUS DISCHARGE SITE REMEDIATION FUND PROGRAM

The following projects presented were municipal loans under the Hazardous Discharge Site Remediation Fund Program. These loan approvals will be automatically converted to a grant approval for the same amount in the event that pending legislation regarding restriction on annual grant amounts is adopted.

MOTION TO APPROVE: Mr. Piaia        SECOND: Mr. Carden       AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 15

PROJECT: Camden Redevelopment Agency  APPL.#17855
(Harrison Avenue Landfill)
LOCATION: Camden City/Camden Cty.
PROCEEDS FOR: site remediation
FINANCING: $2,954,850 NJDEP Hazardous Discharge Site Remediation municipal loan

PROJECT: Milltown-Ford Avenue Redevelopment Agency  APPL.#17854
(Milltown Ford)
LOCATION: Milltown Boro./Middlesex Cty.
PROCEEDS FOR: site remediation
FINANCING: $5,000,000 NJDEP Hazardous Discharge Site Remediation municipal loan

PROJECT: Palmyra Borough  APPL.#17856
(Brownfield Development Area)
LOCATION: Palmyra Boro./Burlington Cty.
PROCEEDS FOR: site remediation
FINANCING: $1,929,470 NJDEP Hazardous Discharge Site Remediation municipal loan

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

PROJECT: 53 Central Avenue Inc.  APPL.#17726
LOCATION: Rochelle Park Twp./Bergen Cty.
PROCEEDS FOR: site remediation
FINANCING: $49,670 NJDEP Hazardous Discharge Site Remediation Fund loan

BUSINESS EMPLOYMENT INCENTIVE PROGRAM

PROJECT: Automatic Data Processing, Inc. or Nominee  APPL.#17824
LOCATION: Jersey City/Hudson Cty.   BUSINESS: Provider of processing systems
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia        SECOND: Mr. Plofker       AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16
PROJECT: BAE SYSTEMS Information and Electronic Systems Integration
LOCATION: Totowa Boro./Passaic Cty. BUSINESS: Producer of electronic systems
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: Henry RAC Holding Corporation
LOCATION: Bayonne City/Hudson Cty. BUSINESS: Mfr. of rifles
GRANT AWARD: 15% Business Employment Incentive grant, 10 years
This matter has been held from consideration.

PROJECT: I.D. Systems, Inc.
LOCATION: Montvale Boro./Bergen Cty. BUSINESS: Provider of wireless solutions for tracking assets
GRANT AWARD: 60% Business Employment Incentive grant, 7 years
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Piaia AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: Robert Burton Associates, Ltd.
LOCATION: Fairfield Boro./Essex Cty. BUSINESS: Mfr. of tobacco accessories
GRANT AWARD: 45% Business Employment Incentive grant, 10 years
This matter has been held from consideration.

PROJECT: Summit Acquisition, LLC
LOCATION: Swedesboro Boro./Gloucester Cty. BUSINESS: Food distributor
GRANT AWARD: 60% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Piaia SECOND: Mr. Carden AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16

PROJECT: VectorMAX Corporation
LOCATION: Jersey City/Hudson Cty. BUSINESS: Software development company
GRANT AWARD: 80% Business Employment Incentive grant, 10 years
MOTION TO APPROVE: Mr. Plofker SECOND: Mr. Piaia AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 16
BOARD MEMORANDUMS

The next item was the approval to make a $5,000,000 investment in SAS Investors II, L.P and to increase the Authority’s investment up to $10,000,000 if the Fund’s manager, SAS Investors Management, Inc. relocates to a New Jersey Innovation Zone and that the EDA investment represents no more than 15% of the total. The terms of the investment are as follows: 1) no more than 2.5% management fee; 2) no more than 20% carry; 3) the life of the fund is 10 years; 4) the EDA’s investment will only be drawn down for specific projects; 5) the EDA is a member of the Advisory Board; and 6) any changes to the General Partner/Manager make up must be preapproved by the EDA.

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. McNamara  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 17

The next item was the approval to extend the maturity of the outstanding balance of $1,121,670 to Omni Baking Company for the remaining five years of the original amortization schedule.

MOTION TO APPROVE: Mr. Ploker  SECOND: Mr. Piaia  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 18

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


PROJECT: MSNBC Cable, L.L.C. and NBC, Inc.; CNBC, APPL.#09235 & 11113
Inc.; CNBC.com, LLC
LOCATION: Secaucus/Hudson Cty. and Englewood Cliffs/Bergen Cty.
MODIFICATION: to approve the repayment of $2,300,000 in disbursements related to the MSNBC BEIP grant from the anticipated BEIP grant payments due to CNBC; and to accept a 22-percent value of the original cost for existing equipment and 25-percent of the original cost for new equipment purchased at lease termination in exchange for capping the Authority’s overall exposure to $1,100,000.

MOTION TO APPROVE: Mr. Carden  SECOND: Mr. Piaia  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 19

REAL ESTATE

The next item was the approval to enter into a lease with Advance Spine and Pain Physical Therapy, LLC who is a prospective tenant of the Trenton office Complex’s retail space.

MOTION TO APPROVE: Mr. Ploker  SECOND: Mr. Piaia  AYES: 12
RESOLUTION ATTACHED AND MARKED EXHIBIT 20
The next item was the approval to execute contracts for security services with Bowles Corporate Serves, Inc. for a term of three years with an additional two year renewal term option, on terms acceptable to the Chief Executive Officer and the Attorney General’s Office, for the NJEDA Headquarters and the Waterfront Technology Center in Camden.

**MOTION TO APPROVE:** Mr. Plofker  
**SECOND:** Mr. Carden  
**AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT 21**

The next item was the approval of the 2007 Operating budget for the Technology Centre of New Jersey, L.L.C.

**MOTION TO APPROVE:** Mr. Piaia  
**SECOND:** Mr. Manning  
**AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT 22**

The next item was the approval to amend the 2007 program cost budget for an additional $310,000, and to enter into a contract with Economic Research Associates in the amount of $310,000 to assist the Authority in structuring and implementing a Ready for Growth initiative for New Jersey, with the option to request additional services from the consultants related to implementation of that initiative on terms acceptable to the Chief Executive Officer and the Attorney General’s Office; or to enter into a contract with DCG Corplan, if Economic Research Associates is deemed non-compliant with relevant Executive Orders regarding procurement.

**MOTION TO APPROVE:** Mr. Piaia  
**SECOND:** Mr. Plofker  
**AYES:** 12  
**RESOLUTION ATTACHED AND MARKED EXHIBIT 23**

**PUBLIC COMMENT**

There was no comment from the public.

There being no further business on a motion by Mr. Plofker, and seconded by Mr. Piaia, the meeting was adjourned at 11:42 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