

ECONOMIC RECOVERY BOARD FOR CAMDEN
January 10, 2011
New Jersey Economic Development Authority, Trenton, NJ

MINUTES OF THE MEETING

Members of the Board present: Alberta Hyché designee for State Treasurer Sidamon-Eristoff; Caren Franzini designee EDA Chairman, Al Koeppé; and Melissa Orsen representing DCA Commissioner Lori Grifa.

Present via conference call: Legislative and Non Voting Member Freeholder Director Louis Cappelli, Jr., Ralph Kramer designee for Mayor Dana Redd, and Public Members: Robert Milner, William Hosey, and Rodney Sadler, and Brandon Minde, Governor's Authorities' Unit.

Also Present: Laura Wallick, and Maureen Hassett, Assistant Secretaries; Bette Renaud, DAG; and EDA staff.

Absent: Rev. J. C. Jones, Vice Chairman; City Council President Francisco Moran, and Public Member Rosa Ramirez.

Secretary Franzini called the meeting to order at 2:00 pm.

In accordance with the Open Public Meetings Act, Ms. Wallick announced that notice of this meeting had been sent to the *Star Ledger*, the *Times*, and the *Courier Post* 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.

A quorum of the ERB Board was present.

Secretary Franzini asked Ms. Wallick to summarize the first item before the Board, the Supplemental Application and Scoring Criteria for Regional Health Care Facilities. Ms. Wallick advised that in October 2010, the EDA was notified by Virtua Health Systems that it would not be pursuing the proposed development project in Camden as described in the Municipal Rehabilitation and Economic Recovery Act (Act). Alternatively, Virtua is seeking to expand its emergency health care services and applied to the ERB for a \$ 1 million grant for this project.

Ms. Wallick advised that under Section C52 of the Act, \$1 million was made available to Virtua under the Higher Education and Regional Health Care Fund (HERHC) to establish an inpatient drug treatment facility in Camden. The HERHC fund allows funds to be used to provide grants to nonprofit educational institutions and regional health care facilities. Grants to nonprofit regional health care facilities are to be provided on a matching basis to allow for facility expansion, including but not limited to facilities for pre-admission testing, occupational health, health-related education facilities such as school of nursing and emergency room facilities. Each health care facility is required to raise one dollar for every three dollars provided by the State. Receipt of ERB grants is also conditioned on the nonprofit negotiating a service agreement with the City of Camden for payment in lieu of taxes.

Because Virtua will not be advancing the project defined in the Act, the \$1 million appropriation lapsed into the HERHC fund. The EDA notified the other health care institutions named in the Act of this new funding availability and requested their acknowledgement allowing Virtua to utilize the \$1 million for the expansion of their emergency services in Camden.

In response to this notification, Cooper University Hospital (Cooper) advised the EDA it intends to apply to the ERB for the \$1 million to support an expansion of its acute and emergent care facilities.

Because this circumstance was not originally contemplated in the Act, the EDA created a supplement to the Application for Financial Assistance and ERB Guide to Program Funds to evaluate the proposals from Virtua and Cooper for the \$1 million grant. This supplemental application and scoring criteria were discussed with the ERB Policy Committee on November 9, 2010. The Policy Committee Members recommended some amendments to the application and the scoring criteria that were incorporated into the version presented. The Policy Committee Members also recommended the full amount of the \$1 million grant be awarded to the highest scoring application. The ERB Board is being asked to approve these recommendations.

Following the Board's approval, the supplemental application will be sent to Virtua and Cooper for completion.

MOTION TO APPROVE: Mr. Hosey SECOND: Mr. Sadler AYES: 7

Mr. Hosey asked what happens in the case of a tie score. Ms. Wallick advised that a draw or tie was not contemplated and that staff was looking to the ERB members for guidance.

In this regard, it was suggested that additional criteria regarding employment impacts be included in the supplemental application and scoring. Based on this suggestion, the board was asked to vote to amend the documents and then vote to approve the amendment. The Members agreed that in the case of a draw or tie, the \$1 million grant would be split evenly with between the two applicants.

MOTION TO APPROVE

THE AMENDED RESOLUTION: Mr. Milner SECOND: Mr. Sadler AYES: 7

The next item was to approve the amended application and allocation method.

MOTION TO APPROVE: Mr. Hosey SECOND: Mr. Milner AYES: 7

Secretary Franzini requested comments from the members of the public.

There being no further business, on a motion to adjourn the meeting was made by Ms. Franzini, seconded by Mr. Sadler. The meeting was adjourned at 2:40 pm.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the State Economic Recovery Board for the City of Camden at its meeting.



Maureen Hassett, Senior Vice President, EDA
Assistant Secretary, ERB