

**ECONOMIC RECOVERY BOARD FOR CAMDEN**

**Settlement Music School**

**Camden, NJ**

**February 27, 2007**

**MINUTES OF THE MEETING**

Members of the Board present: Reverend J. C. Jones, Vice Chairman; Lopa Kolluri, designee for State Treasurer Bradley Abelow; Secretary Caren Franzini, designee for EDA Chairman Carl Van Horn; Mayor Gwendolyn Faison; City Council President Angel Fuentes; Marge DellaVecchia representing Commissioner Susan Bass Levin; Judge Theodore Davis, Acting COO; Public Members: Robert Milner, Rosa Ramirez, and Rodney Sadler.

Also Present: Assistant Secretary, Maureen Hassett; Bette Renaud, DAG; and EDA staff.

Absent: Freeholder Director Louis Cappelli, Jr.; Public Member William Hosey; Legislative Members: Assemblyman Joseph Roberts, and Senator Wayne Bryant.

Vice Chairman Jones called the meeting to order at 10:10 am.

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

Vice Chairman Jones asked for a motion to approve the January 23, 2007 minutes of the Board.

**MOTION TO APPROVE: Mr. Hosey                      SECOND: Mr. Milner                      AYES: 9**

Ms. Kolluri abstained as she did not attend the prior meeting.

**MINUTES OF BOARD MEETING**

Mayor Gwendolyn Faison asked for an update regarding the start of Tax Lien Financing Corp. (TLFC) meetings. Ms. Kolluri, designee for State Treasurer Abelow, stated that there have been internal meetings within Treasury and they expect to schedule a formal meeting of the TLFC within the next 4 – 6 weeks.

Executive Director Robert Capanna welcomed the Members of the ERB Board to the Settlement Music School (SMS) stating the ERB was a positive factor for the school since it's beginning in Camden. He stated that enrollment was up by 75% and that they give approximately 400 lessons a week. He pointed out that the school was able to save the original floor from the old King's Restaurant that once inhabited the building. He added that total project cost was \$4 million dollars, including \$1 million from the ERB, and \$3 million raised through private investors and foundations. He also introduced Valerie Clayton, Branch Director and Aletha Beatty, music

teacher to the board. Finally, the board members and all present were treated to a charming rendition of the "Hello Song" performed by the pre-K music class.

Vice Chairman Jones asked Ms. Hassett to present the first item before the board, the Camden Redevelopment Agency - 301 Market Street project (P17193). Ms. Hassett stated that the Members were asked to approve a \$3,000,000 recoverable infrastructure grant to the Camden Redevelopment Agency ("CRA") to fund the stabilization of 301 Market Street located in the Downtown Central Business District of Camden.

The CRA is actively pursuing the stabilization of the Historic Trust Building ("the Trust") located at 301 Market Street in Downtown Camden Library to set the stage for eventual re-use. The Trust was designed by Arthur Trustscott and constructed in 1886 by the New Jersey Safe Deposit and Trust Company. It served as a bank until 1949. Subsequently, the building housed a mix of office, retail and warehouse uses until it was vacated sometime in the 1970's. The Trust has remained vacant and minimally maintained for approximately thirty years. Currently, the building is owned by the Camden Redevelopment Agency and was placed on the National Register of Historic Places in 1990.

The current plan is to stabilize the Trust building. The stabilization process (Phase I) is estimated at \$4,500,000 and will take approximately 6 months to complete. The stabilization phase will maintain the existing bracing system while a structural steel frame is inserted into the building and reconstruct the exterior walls and roof and enclose the windows in order to reduce further deterioration of the structure. Phase II will involve identifying a developer to renovate the building and be responsible for making the building operational. The CRA has issued an RFP to identify a developer for Phase II.

The \$3,000,000 ERB recoverable infrastructure grant will be secured by a mortgage on the project property. If the property is sold for commercial development, the NJEDA will require 50% of the proceeds for 100% of the ERB grant. If the project development results in housing development and Low Income Housing Tax Credits are utilized, the \$3,000,000 ERB grant will convert to a non-recourse, non-amortizing loan for the developer of the site. The loan will be secured by a mortgage note on the property and will be subordinate to other governmental financing. Repayment of the loan shall be made from 50% of the available cash flow remaining after payment of operating expenses, required reserves and amortized mortgage debt. The ERB funds will be disbursed based on submission of invoices submitted by the CRA and signed off by City of Camden officials.

Ms. Sadler stated that while there has been a lot of support for the project, he wondered if the \$3 million dollar expenditure could be tied to finding a developer for the site. His concern was that a substantial amount of money would be put into stabilizing the building without finding anyone to go further on the project.

Council President Fuentes asked for the motion to be amended to state that only the amount necessary to stabilize the building would be spent and no additional funds allocated until a developer was found. It was agreed that the resolution would be amended to allocate only the minimum funds necessary to stabilize the building and protect pedestrians from danger, until a developer was found. Council President Fuentes also requested to be informed of responses to the RFP for a developer.

Bob Milner expressed concern that the \$3 million could be better spent on another project and that he didn't see a way to save the building for less than \$20 – 30 million.

**MOTION TO APPROVE: Ms. DellaVecchia    SECOND Judge Davis    AYES: 9    NO: 1 Milner**

Vice Chairman Jones asked Ms. Hassett to present the next item before the board, the Camden Redevelopment Agency - Parkade Building/Roosevelt Plaza project (P17939). Ms. Hassett stated that the Members are asked to approve a \$3,000,000 non-recoverable infrastructure grant to the Camden Redevelopment Agency ("CRA") to fund the acquisition and demolition of the Parkade Building and the restoration of Roosevelt Plaza, which is adjacent to Camden City Hall in the Central Business District of Camden.

Ms. Hassett stated that the CRA is actively pursuing funding to assist in the development of the Roosevelt Park Plaza Restoration Project. This project will create a new urban park adjacent to Camden City Hall. The park will be easily accessible by public transportation and within walking distance from most institutions and commercial as well as retail venues in Downtown Camden. This public space will not only be a civic space in which people can meet informally but it will be a catalyst to transform Downtown Camden into a thriving urban center with strong institutions and businesses. While the beautiful Roosevelt Park once existed on this site as a grand entrance to the City, today it is the Parkade Building, a marginal and neglected office building and parking garage.

On February 14, 2003, Nedmac Associates, Inc. ("Nedmac"), the owner of the leasehold interests of the Parkade Building, and the City of Camden entered into a settlement agreement that contained an option for the City to purchase the building for the amount of \$4 million dollars. There was also a draft agreement of sale between the City of Camden and Nedmac to convey the property for the amount of \$4,048,000. Recently, the sale of the Parkade Building has been placed in the hands of the Receiver, Fred Giuliano, for Nedmac. The Receiver is negotiating with the City of Camden and the owner for the purchase price of \$4 million to acquire the property. The Receiver will also be responsible for repaying outstanding liens on the building, acquiring the existing 37 leases and vacating the premises.

The Trust for Public Land (TPL) began working with the CRA at the beginning of 2006, offering advice in connection with the leasehold negotiations, assisting with the procurement of funding, and coordinating various activities related to due diligence, including the appraisal process, the environmental assessment and the survey. TPL will continue to serve in this role through the acquisition of the leasehold interest. The City of Camden will be the owner of the park. The CRA and TPL will be working on behalf of the City to redevelop Roosevelt Park. The CRA will work with the Greater Camden Partnership to maintain the park with the help of the special services team.

Roosevelt Park will be located at 518 Market Street, adjacent to Camden City Hall, in Downtown Camden. The approximate size of the Park will be 1.67 acres (72,745 sf). The construction of the park is estimated for completion by March 2008.

The ERB funding is a non-recoverable infrastructure grant. The NJEDA, therefore, will not file a lien on the property because it will remain a park in perpetuity. Funding of the ERB infrastructure grant is contingent upon receipt of commitments for the balance of funding for the project. The ERB funds will be disbursed based on submission of invoices submitted by the CRA and signed off by City of Camden officials.

Council President Fuentes stated that while it seemed like a good project he wanted to know how a park would benefit the City of Camden and what would happen to businesses there as far as relocation.

Carlos Morales, Project Manager - Camden Redevelopment Agency, stated the park would be part of a larger downtown development plan and was viewed as a marquee project for Camden. Mr. Morales also stated that the largest effected tenant, the Camden County probation department, has been looking to move for sometime now.

**MOTION TO APPROVE: Mr. Sadler SECOND Council Pres. Fuentes AYES: 9 NO: 1 Milner**

Vice Chairman Jones requested comments from the Members.

Mayor Gwendolyn Faison read from a prepared statement regarding her plans for the remainder of her term. She stated that her priority was advocating and effectively communicating the accomplishments and positive stories in Camden, and she was also interested in stabilizing neighborhoods.

Caren Franzini noted her timing was perfect and that the Policy Committee meeting following the ERB meeting would discuss methods on how to get the word out to the community. She expressed the desire to ensure that the goals of the legislation are met and stated that the committee would report back to the full board.

Reverend Jones asked for feedback on the recent television documentary on Camden, which was aired by ABC's 20/20 program.

Judge Davis stated that it was the worse piece of journalism he's seen in a long time due to it's one-sided reporting. He further stated that he personally visited 32 sites in Camden, which the program did not include, and came away feeling encouraged.

The general consensus amongst the board members was that the documentary was terribly one sided and would have viewers believe there was nothing positive at all going on in the City of Camden.

Reverend Jones noted that his church referred a family to Diane Sawyer for the documentary, but they were rejected as not deplorable enough for the show's premise.

Vice Chairman Jones requested comments from the public.

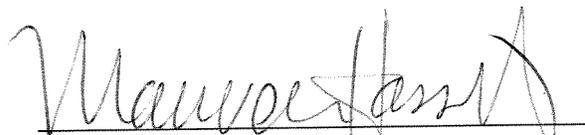
Frank Fulbrook, President of the Cooper Grant Neighborhood Association asked about the outcome of the 301 Market Street project since he arrived late to the board meeting. Ms. Hassett stated that resolution would be amended to allocate only the minimum funds necessary to stabilize the building until a developer was found. He also stated that buyers of the Cooper Grant town homes would not have a preferential deal as far as taxes levied and provided the Members with a printout showing the PILOT payments due for homeowners and indicated that the PILOT payments will exceed those paid by most City homeowners.

Mr. Colandus "Kelly" Francis, President NAACP of Camden, reiterated his concern that residents of the Cooper Grant Townhomes would receive an unfair tax consideration. He stated that the property values in that neighborhood would increase and Mr. Fulbrook would benefit, as his property value would increase by five folds. He further stated that he believed that the benefit wasn't made public and perhaps he would have been interested had he known.

Carmen Perez, Executive Director, Puerto Rican Unity for Progress, 427 Broadway, Camden, NJ stated that she looks forward to working with the ERB to obtain funding to relocate her agency which has been impacted by the Cooper Health System expansion.

There being no further business, on a motion by Judge Davis and seconded by Mr. Sadler, the meeting was adjourned at 11:45 am.

**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, Vice President  
Strategic Partnerships, EDA  
Assistant Secretary, ERB