ECONOMIC RECOVERY BOARD FOR CAMDEN
Virtua Hospital Camden
April 24, 2007

MINUTES OF THE MEETING

Members of the Board present: Lopa Kolluri, designee for State Treasurer Bradley Abelow, Chairman; Reverend J. C. Jones, Vice Chairman; Secretary Caren Franzini, designee for EDA Chairman Carl Van Horn; Mayor Gwendolyn Faison; Tina Vignali representing City Council President Angel Fuentes; Marge DellaVecchia representing Commissioner Susan Bass Levin; Freeholder Director Louis Cappelli, Jr.; and Public Members: Robert Milner, Rosa Ramirez, William Hosey, and Rodney Sadler.

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

Absent: Judge Theodore Davis, Acting COO; and Legislative Members: Assemblyman Joseph Roberts, and Senator Wayne Bryant.

Ms. Kolluri 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.

Ms. Hassett welcomed Ms. Kolluri as Treasurer Abelow's designee to the Board and her role as the new Board Chair. Ms. Kolluri thanked Reverend Jones for his time serving as Acting Chairman.

Ms. Kolluri asked for a motion to approve the February 27, 2007 minutes of the Board.

MOTION TO APPROVE: Mr. Hosey SECOND: Mr. Sadler AYES: 10

MINUTES OF BOARD MEETING

Joan Gray, Director Ambulatory Services, welcomed the Members of the ERB Board to the Virtua Hospital and shared information on the growth of the health center. Ms. Gray stated they met with architects to expand and renovate the emergency for faster service. Among the tenants is a 17,000 s.f. Charter School who will be expanding their program in the fall. They presently have 339 kids on the campus. Ms. Gray also mentioned that Virtua offers a home ownership program, which is in its second session.

Ms. Kolluri thanked Ms. Gray for hosting the meeting then thanked Rev. Jones who is pastor of the Mt. Calvary Baptist Church for the prayer vigil held on Saturday, April 20, 2007 for Governor Corzine. She stated that the Governor's family along with the cabinet members and

staff in Trenton and residents around the state were very grateful.

Rodney Sadler commented that the Town Hall meeting went very well and people were impressed to see full representation by City government.

In that regard, Maureen Hassett thanked Brett Waters of the COO's office, Joyce McCray of the Mayor's office, and Tina Vignali of the City Council President's staff for their work on the recent town hall meeting.

Caren Franzini stated that a presentation showing the number of jobs created would be helpful for the next town hall meeting and perhaps the Dept. of Labor or the Camden One Stop could be called upon for this.

Maureen Hassett stated that there is talk of the meeting being televised on Channel 19. Mayor Faison requested that more information from the Guide to Program Funds and the Annual Report be presented at the upcoming town hall meetings.

Ms. Kolluri asked Ms. Hassett to present the first item before the board, the Amendment to ERB Guide To Program Funds. Ms. Hassett stated that pursuant to the endorsement of the Policy Committee, the Members are asked to approve an increase to the infrastructure project-funding limit from $50 million to $60 million.

Ms. Hassett stated that on June 20, 2003, the Members of the ERB approved the Guide to Program Funds (the "Guide"), which outlines the purpose of the ERB and the general criteria for project financing. As part of its approval, the Board established a funding limit of $20 million for infrastructure projects. On December 23, 2003, the ERB approved changes to the Guide regarding infrastructure projects, which allows for 100% of a project to be funded at a limit of $5 million in the form of grants and recoverable grants. On June 22, 2004, the Members approved an increase to the overall limit on infrastructure projects from $20 million to $35 million and on December 20, 2005 approved another increase from $35 million to $50 million due to the demand for these funds. To date, the ERB has approved 24 infrastructure projects totaling $51.3 million of which two projects amounting to $3,550,000 have been repaid.

Based on the above, a balance of $2,249,298 is available however, the demand is significantly greater. Staff from the ERB, CRA and other state agencies compiled a pipeline of proposed projects to be developed throughout the City in the ensuing year that are in excess of $10 million including sewer improvement, parking structures, remediation and land assemblage and site preparation for commercial and industrial development.

To allow for these and other anticipated projects to apply for ERB funding, the Members are asked to approve an increase to the infrastructure limit from $50 million to $60 million.

MOTION TO APPROVE: Ms. DellaVecchia SECOND Ms. Kolluri AYES: 10

Ms. Kolluri asked Ms. Hassett to present the next item before the board, the Camden Redevelopment Agency – Campbell Soup Expansion - Utility Relocation Project (P18198). Ms. Hassett stated that the Members are asked to approve a $2,300,000 non-recoverable

infrastructure grant to the Camden Redevelopment Agency ("CRA") to make critical infrastructure improvements necessary for the creation of a modern office and research complex surrounding the Campbell Soup Expansion and for pre-development activities. The CRA is requesting a $2,300,000 Non-Recoverable Infrastructure grant of which up to $2,000,000 will be used for the Utility Relocation Project. In addition, up to $300,000 in ERB funds will fund due diligence and predevelopment activities required to be undertaken for the successful implementation of the CSC expansion project.

Ms. Hassett pointed out that the Campbell Soup Company ("CSC") is the sole Fortune 500 Company headquartered in the City of Camden, and is the City's largest private sector employer with more than 1,200 workers at its Campbell Place facilities. The centerpiece of CSC's expansion plan is the development of a new 80,000 sf building that will serve as the entranceway to its headquarters campus. CSC will undertake major renovations to its existing facilities and make site improvements to its complex at a total estimated cost of $72 million.

The CRA has entered into a Project Development Agreement ("PDA") with CSC, the City, the County of Camden, and the NJEDA to facilitate the expansion of the CSC facility in the Gateway Redevelopment Area. Infrastructure improvements will take place in a portion of the Gateway area bounded by Pine Street, Rt. 676, Federal Street, Rt. 30 and the Cooper River.

The County or the Camden County Municipal Utility Authority ("CCMUA") will serve as contractor for the purpose of implementing the sewer component of the project. To that end, the City and the County will enter into an Interlocal Services Agreement ("Agreement") whereby the City contributes to the County or the CCMUA the sums agreed for the sewer component of the project. The County will fund and construct the temporary sewer line to be inclusive of the total County obligations. In the event the Agreement is terminated for any reason, CSC shall reimburse the County for its costs.

Per the Project Development Agreement between the CSC, the City of Camden, CRA, CCMUA and the NJEDA, ERB funds will be utilized first to support the sewer infrastructure improvements, followed by funds from the EIT, with the County funds to be expended last. Construction inspections will be approved by City officials.

The CSC expansion project will improve the Gateway Redevelopment area, which is a key entrance to the City. CSC seeks to begin construction in Summer 2007 of its new 80,000 sf building, which will create construction jobs, generate additional property taxes and, most importantly, retain CSC's 1,200± jobs in the City of Camden. The expansion project is expected to be completed by the fall of 2008.

MOTION TO APPROVE: Mr. Hosey SECOND Mr. Sadler AYES: 10

Ms. Kolluri asked Ms. Hassett to present the next item before the board. Ms. Hassett stated that the next two items were a textbook example of how urban projects can follow a complicated path before actual development occurs. In the case of the first item, Camden Redevelopment Agency - Cathedral Soup Kitchen (P016132) the Members are asked to approve a modification to change the project scope, release the mortgage on 1514 Federal Street currently securing the $305,800 ERB grant, and convert the recoverable grant to a $235,800 non-recoverable grant.

Ms. Hassett explained that in 2002, Cathedral Soup Kitchen (CSK) purchased an 8,100 square foot building located at 79 Newton Avenue in Camden across from the Campbell Soup Corporation, for the purpose of relocating its soup kitchen from its present location on Market Street. The building was purchased for $130,000. During subsequent months, CSK invested approximately $120,000 in predevelopment costs including architect designs for the renovation of the building an environmental study and subsequent clean-up, plus interior demolition of the building. CSK also hired a fund-raising consultant to assist in the planning and implementation of a capital campaign to fund the balance of the renovations.

Ms. Hassett noted that in July 2003, the Camden Redevelopment Authority (CRA) informed CSK that the City's plans for the area around Newton Avenue were amended. Under the new land use regulations that were proposed for the area, a soup kitchen would not be a permitted use. As such, the CRA advised CSK that it would acquire the Newton Avenue property. To compensate CSK for its investment, the CRA agreed to assist the organization in identifying and acquiring a new site which was identified as a city-owned 28,000 square foot building located at 1514 Federal Street in Camden. To this end, the CRA and CSK entered into a Memorandum of Understanding with the CRA agreeing to donate the Federal Street property (known as the Antrim Hardware site) to CSK in a ready to build condition, which includes demolition of the existing building and environmental cleanup. The agreement also provided for a $70,000 payment to reimburse CSK for expenses incurred in its Newton Avenue project. In exchange, the CSK was to give the CRA their 79 Newton Street property.

On December 21, 2004, the ERB approved a $305,800 recoverable grant to the CRA to fund demolition and remediation costs for the 1514 Federal Street property. The grant is secured by a mortgage on the 1514 Federal Street property in the amount of $278,000, which was based on comparable property appraisals at the time of approval.

When the project was approved in December 2004, it was envisioned that once the Federal Street property was prepared, with demolition and environmental remediation complete, the CRA would swap the Federal Street site for the Newton Street property. To offset the remediation costs, the CRA applied for and received approximately $35,000 from the NJDEP under the HDSRF to assist with the remedial investigation activities. During this protracted timeframe, the CRA was approached by Dr. Denim, a clothing design and silk-screening business that employs 50 Camden residents located in a facility adjacent to 79 Newton Avenue. Dr. Denim was seeking to purchase the 79 Newton Street property to expand its operations that would result in the creation of approximately 50 additional jobs.

To accommodate this expansion, the CRA purchased the property from CSK and entered into a Redevelopment Agreement with Dr. Denim to ensure the development of the property was conducted according to the Gateway Redevelopment Plan adopted in April 2006, and sold the property to Dr. Denim for $136,000 based on a recent appraisal. Per the MOU between CRA and CSK, the CRA was required to compensate CSK $70,000 however, due to the protracted timeframe for preparing the Federal Street property, the CRA reimbursed the CSK $100,000. The remaining $36,000 is in an escrow account to be used as a contingency to fund project costs. In the event there are no additional costs to be offset by this contingency, the $36,000 will be repaid to the ERB to reduce the grant amount.

MOTION TO APPROVE: Mr. Sadler SECOND Ms. DellaVecchia AYES: 10

In the second of the 2 items, the Members are asked to approve a $1,000,000 public purpose grant to the Cathedral Soup Kitchen ("CSK") (P017436) to construct a new building. CSK is requesting funds to construct a 14,872 sf facility at 1514 Federal Street in Camden designed to better accommodate its feeding program.

As Ms. Hassett pointed out earlier, in July 2003, the Camden Redevelopment Authority (CRA) informed CSK that Camden's plans for the area around Newton Avenue were amended. Under the new land use regulations that were proposed for the area a soup kitchen would not be a permitted use. As such, the CRA advised CSK that the city of Camden would be acquiring the Newton Avenue property through eminent domain. To compensate CSK for its investment, the CRA agreed to assist the organization in identifying and acquiring a new site. CSK and CRA have identified an alternate site: a city-owned 28,000 square foot building located at 1514 Federal Street in Camden. The building was demolished in September 2005. The CRA received ERB approval in the amount of $305,800 for said demolition in January 2005.

In October 2004, CSK received ERB approval in the amount of $100,000 for a pre-development recoverable grant that was used to help fund predevelopment costs for this project. The repayment of this grant was contingent on the project property being developed. Hence, $100,000 will be repaid to the ERB Fund from the permanent financing of this project.

To this end, the CRA and CSK have entered into a Memorandum of Understanding in December 2004. The CRA has agreed to transfer the Federal Street property (known as the Antrim Hardware site) to CSK in a ready to build condition, which included demolition and environmental cleanup for $10.

CRA and CSK signed a redevelopment agreement in January 2007. CSK has engaged in the design process along with DAS Architects ("DAS"). DAS, one of the country's top design firms that has developed an exceptional resume of hospitality, retail, corporate and residential projects and offers a full range of architectural, interior design and procurement services.

The new facility, which is being designed as a "green building", with the goal of achieving Leaderson in Energy & Environmental Design ("LEED") certification for design and structure will seat 288, contain a commercial grade kitchen, bathroom, laundry and shower facilities for guests, have additional space for medical and dental services, life skills training (including culinary arts), case management and referral services.

CSK has entered into a MOU with Parkside Recovery, which documents the intention to partner to provide Drug and Alcohol treatment services at the project site, a MOU with Aids Coalition of Southern New Jersey to adhere to the federal and state statues regarding confidentiality of client records and a MOU with Our Lady of Lourdes - Project H.O.P.E., who will provide medical services at the clinic.

Disbursement of the ERB public purpose grant funding is contingent upon receipt of financing commitments from other sources for the balance of the project costs, receipt of a permanent Certificate of Occupancy, and receipt of an executed Annual Service Charge Agreement with the

City of Camden. CSK has verbally negotiated an Annual Service Charge agreement with the City of Camden's Chief Operating Officer for 2% of the ERB amount per year for 20 years. Receipt of a NJEDA performance mortgage on the property as security of the ERB funds is also required. The mortgage will be forgiven by 10% each year for a total of (10) ten years provided CSK operates the facility as stated herein.

The expanded facility will enable CSK to hire additional staff, which will include a full-time Program Manager ($30,000/year) and a full-time Maintenance/Building Supervisor ($20,000/year). CSK will also hire a part-time Maintenance Technician ($6,000/year), a part-time Administrative Assistant ($11,000/year) and one part-time Chef/Instructor ($18,000/year). CSK has already hired a non-profit development professional to work on fund raising efforts to support the increased operating costs of the new facility.

MOTION TO APPROVE: Ms. DellaVecchia SECOND Mr. Hosey AYES: 10

Ms. Kolluri asked Ms. Hassett to present the next item before the board, the Cooper's Ferry Development Association, Inc. Boyd and Morse Infrastructure Project (P018149). Ms. Hassett stated that the Members are asked to approve a $3,570,000 non-recoverable infrastructure grant to Cooper's Ferry Development Association, Inc. ("CFDA") to fund infrastructure improvements on three city blocks in the Marlton Section of Camden.

Ms. Hassett explained that the Boyd and Morse Infrastructure Project ("Project") is part of a joint project between the St. Joseph's Carpenter Society ("St. Joe's") and the CFDA to rehabilitate approximately three of the worst city blocks in the Marlton section of the City into 45 new units of housing and continue the rehabilitation of many others throughout the neighborhood. The infrastructure component for the entire project will be handled by CFDA. The housing demolition and construction component for the entire project will be handled by St. Joe's. The properties for the new construction will be acquired by St. Joe's.

The proposed project site is located along Baird Boulevard (between Rand & Morse Streets) to Bank Street (between Rand & Morse Streets). The property currently has two adjacent streets (Boyd and Morse) and three alleyways. Most of the adjacent property is a combination of occupied housing, vacant housing and vacant lots. The project involves rehabilitating the existing infrastructure and modifying the site conditions to alleviate and prevent the existing residential flooding. Initially, CFDA will hire a civil engineering firm to plan, design, and develop construction and bid documents for the proposed infrastructure improvements. The specific improvements include new streets, alleys and sidewalks in and around the four-block target area. It will also include new water lines, sewer lines, storm water lines, gas lines, electrical services, and telecommunication services feeding approximately 120 existing and 45 proposed housing units. The project will also develop a storm water management plan.

CFDA is preparing to issue a Request for Qualifications ("RFQ"), once ERB funds have been appropriated, for the investigation and design of utility and road infrastructure to support the redevelopment of three city blocks in the City of Camden ("City"). All work shall be performed in accordance with NJ Department of Transportation ("DOT") Technical Requirements and all Federal and State and local laws.

The initial funding of $425,000 is contingent upon the selection of a civil engineering firm, a signed agreement between the City Department of Public Works and CFDA, and receipt of invoices for the work performed. The ERB funds to the CFDA will be based on a cost reimbursement basis. This arrangement will ensure an effective coordination, monitoring and account of funds for this project. Construction inspections will be approved by City officials. The disbursement of the balance of ERB funding will be contingent upon a receipt and satisfactory review of the final design plan, and evidence that St. Joe's has secured site control and funding commitments for the housing development component of the project.

Bob Milner asked about the tax structure on the 45 units being constructed. Ms. DellaVecchia stated that a responsible tax structure would be put in place.

MOTION TO APPROVE: Ms. DellaVecchia SECOND Ms. Kolluri AYES: 9

Rosa Ramirez abstained as she is an employee of St. Joes Pro Cathedral, affiliated with the St. Joseph's Carpenter Society.

Anthony Perno, Vice President, Cooper's Ferry Development Assoc. took the opportunity to thank Mujiba Parker for all her assistance on the project.

Ms. Kolluri asked Ms. Hassett to present the next item, the Camden Redevelopment Agency – Central Waterfront Housing and Parking (P016137). Ms. Hassett stated that the Members are asked to amend the above referenced project to allow for an additional $24,067 to be used to fund a portion of the executive leadership activities under an extended professional services agreement between the Camden Redevelopment Agency ("CRA") and the Trustees of the University of Pennsylvania. This modification will not increase the amount of the grant but will re-allocate a portion of the funds for project management.

Ms. Hassett stated that on January 23, 2007, the Members approved funding in the amount of $75,000 from the CRA Planning Grant Phase 2 (PGP2) and the CRA Central Waterfront Housing and Parking (CWHP) projects to support interim research and project management activities outlined in the professional services agreement from January 1, 2007 through April 30, 2007. The professional services agreement sets forth the responsibilities for John Kromer, Senior Consultant at Penn's Fels Institute of Government, that will support the municipal rehabilitation and economic recovery activities in the City of Camden by providing executive leadership for the CRA and the City of Camden Department of Development and Planning.

Specifically, $57,300 was approved from the project management fee under the PGP2 project to fund Mr. Kromer's research activities and $17,700 of the $454,546 project management fee under the CWHP project was approved to be used to supervise the CRA staff time needed coordinate and implement housing activities in the Central Waterfront neighborhood and throughout the City.

The expenses incurred under this interim agreement amounted to $65,392, which will be funded by the $57,300 from the PGP2 and $8,092 from the CWHP leaving a balance of $9,608.

Ms. Hassett explained that the CRA and the City of Camden are seeking to extend John Kromer's professional services agreement for one year. The total cost for the one-year extension is $196,175 and will be supported by allocating funding budgeted for the CRA Executive Director salary and benefits of $162,500. CRA is requesting the balance of $9,608 plus an additional $24,067 be funded from the management fee under CWHP project be used to fund the balance of the contract amount. This request will not increase the amount of the grant but will reallocate a portion of the funds for project management.

The disbursement of funds will be subject to the EDA's receipt and satisfactory review of invoices and the contracts for service, fee schedule and reports detailing the scope of work and related time schedule.

MOTION TO APPROVE: Ms. DellaVecchia SECOND Mr. Hosey AYES: 10

Ms. Kolluri asked Ms. Hassett to present the next item, the Annual Qualified Municipality Capital and Economic Recovery Program Report. Ms. Hassett explained the memo was presented for informational purposes only and that pursuant to Section 45 (c) of the Municipal Rehabilitation and Economic Recovery Act, the Camden Economic Recovery Board is required to submit to the Governor and the New Jersey Legislature a report of general project categories and description of proposed projects and the amount estimated to be expended on each project for the ensuing year.

Ms. Hassett pointed out that the Authority closed on the sale of $175 million in taxable and tax-exempt bonds in May of 2003 to fund revitalization projects. The adoption of the Program Guide and Application opened the door for applications and to date, staff has reviewed approximately 100 applications of which 53 are approved for a total of approximately $130 million in grants, recoverable grants and loans. In addition, $16 million was approved for the Business Lease Incentive and the Business Improvement Incentive Programs of which 7 projects have been approved for approximately $1.7 million. The 60 projects total approximately $132 million of investment leveraging $439 million in other public and private financing, resulting in the creation of approximately 1000 full time jobs and generating approximately $1.5 million in additional annual revenue to the City via real estate taxes and service charge agreements. The balance of the applications received represent 13 pending and 27 withdrawn. The Members were provided an ERB Fund Approval report, which outlined the allocated funds for the approved projects within the five established funding categories.

Ms. Kolluri asked Ms. Hassett to present the next item, the Camden Greenways, Inc. project (P018167), which was also for informational purposes. Ms. Hassett stated that the Camden Greenways project was approved for a $22,500 five-year business lease incentive grant under delegated authority in March 2007. The nonprofit environmental organization's plan calls for the creation of an extensive linear park system to run along the Delaware River, Cooper River, and Newton Creek in Camden, NJ.

Ms. Kolluri expressed appreciation for all the hard work and diligence of EDA staff members on ERB projects throughout the years.

Ms. Kolluri requested comments from the Members.

Marge DellaVecchia informed the members that the HMFA staff including Commissioner Levin attended the American Planning Association's 2007 National Planning Conference in Philadelphia last week. Ms. DellaVecchia conducted a mobile workshop and bus tour of Camden, which started in the Fairview section and ended at the Cooper Grant homes.

Rosa Ramirez stated that the board needs to find a way to better inform Camden residents including the Hispanic and Vietnamese speaking population about various projects outside of their neighborhoods. Camden County Freeholder–Director Louis Cappelli, Jr. suggested that the County and City work jointly on a newsletter to keeps residents informed.

Rev. Jones noted that the City is a melting pot and if you reach the various leaders they'll in turn inform their groups.

Ms. Kolluri requested comments from the public.

Frank Fulbrook, President of the Cooper Grant Neighborhood Association informed the board that he grew up on Morse Street and stated that although there was a war on drugs, the area suffered from the "push – pop" syndrome. As soon as police pushed a group of drug dealers out of an area it presented an opportunity for another group to come in.

He mentioned that although he was criticized by some for wanting to raise his property value he noted that Cooper Grant now enjoys the highest property values in the City and with this valuation residents are disinclined to abandon properties.

Mr. Calandos "Kelly" Francis, Vice President, City of Camden Taxpayer Association wonders what economic impact the Boyd and Morse Infrastructure project would have on Camden if residents of the 45 new units were not taxed at appropriate values. He noted that although he hasn't had children in the school system for many years he still pays taxes and that other residents should as well.

Mr. Francis, speaking as President of the NAACP of Camden, mentioned that 45 Camden High School students took part in the statewide ATCSO in Piscataway, NJ. The Cadmen High School students took the lead in gold medals earning 21, as well as 8 silver, and 8 bronze medals at the competition. He also stated that eight students would travel to Detroit for the National ATSCO competition.

There being no further business, on a motion by Marge DellaVecchia and seconded by Mr. Sadler, the meeting was adjourned at 11:35 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