

ECONOMIC RECOVERY BOARD FOR CAMDEN

July 6, 2005

Virtua Health Center

MINUTES OF THE MEETING

Members of the Board present: State Treasurer, John E. McCormac, Chairman; Mayor Gwendolyn Faison; Chief Operating Officer Randy Primas; City Council President Angel Fuentes; Marge DellaVecchia representing Commissioner Susan Bass Levin; Senator Wayne Bryant, Legislative Member; Freeholder Director, Louis Capelli, Jr.; Mayor M. James Maley, Jr., representative of the Regional Impact Council, and Public Members: William Hosey, Rodney Sadler, and Rosa Ramirez.

Also Present: Secretary Caren Franzini; Assistant Secretary, Maureen Hassett; Anthony DeFelice, Deputy Attorney General; EDA staff; and guests.

Absent: Vice Chairman, Reverend J. C. Jones; Carlos Medina, designee for Al Koeppe; Assemblyman Joseph Roberts, Legislative Member, and Public Member Robert Milner.

Chairman McCormac 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.

Chairman McCormac asked for a motion to approve the minutes from the May 11, 2005 and the special board meeting held on June 9, 2005.

MOTION TO APPROVE: Mr. Sadler SECOND: Mayor Maley AYES: 8

MINUTES OF BOARD MEETING

Chairman McCormac asked for welcoming remarks from Bob Hockel, Vice President of Virtua Health Center. Mr. Hockel welcomed the ERB Board on behalf of the facility and gave a brief presentation. He pointed out that Virtua has a core group of services including emergency care, physical rehab and specialty care. He mentioned that they're attracting a high quality of health care to their campus. He listed the dental center, the pediatric day care, the Rutgers Business Incubator. He also mentioned the Traffic Division of the Camden City Police department, which is located on the 2nd floor. A by-product of the Police department's presence is that the crime rate in the area has decreased significantly.

In addition, he pointed out that Virtua has an educational component including a “Life Skills” course targeted towards “at risk” youth, and an academic charter school scheduled to open in September 2005, which already boasts of full enrollment.

He finished his presentation stating that Virtua will continue in their quest to attract other organizations to their campus and to anchor the neighborhood.

Chairman McCormac asked Maureen Hassett to present the Cooper’s Ferry Development Association, Inc. (P16497) project. Ms. Hassett summarized that the recoverable grant which totals \$1,288,729 will be used to fund infrastructure and upgrade improvements on several parcels of land owned by the South Jersey Port Corporation (“SJPC”). These improvements will provide both short and long-term solutions for the growing port operations currently impacting the northern section of the Central Waterfront Neighborhood as well as provide temporary parking for the Tweeter Center’s 2005 event schedule.

Ms. Hassett explained that in the original approval on April 6, 2005, the recoverable grant was to be secured by mortgages on the properties being improved. In the event these properties were sold, the ERB and DRPA grants would be recovered on a pro-rata basis to the extent of the amount of the net sale proceeds. The SJPC has been legally advised that it cannot pledge mortgages on these assets. As an alternative source of repayment the ERB, CFDA, SJPC and the Camden Parking Authority (“CPA”) agreed to utilize the surplus parking revenues generated from the project related spaces to repay the ERB grant. The surplus revenues are defined as revenues which the CPA retains after it pays operating costs for the facilities and fully funds capital reserves and long term replacement funds for the facilities. In the event that surplus revenues are less than 10% of recoverable grant in any given year, the principal amount of the recoverable grant shall be reduced by 10% at the end of each calendar year. The terms of this proposed agreement are contingent upon the SJPC’s Commission’s continued authorization for CPA’s use of the facilities.

Another alternative presented to the ERB subsequent to the PRC meeting, includes an agreement from the SJPC to work with the State Treasurer to reimburse the cost of such improvements upon 1) verification and documentation of the costs; and 2) any sale of the properties within the next 10 years to the extent that the improvements funded by the ERB loan increased the sale value of the property according to a certified appraisal at the time of any such sale, so long as such reimbursement is permitted under laws and bond covenants.

Ms. Hassett stated that the Members were being asked to approve the alternative sources of security and repayment on the \$1,288,729 ERB recoverable grant as outlined, and to authorize the CEO of the NJEDA to negotiate a final structure, with review by the DAG’s office and subject to approval by the State Treasurer, as necessary to close on the transaction and execute a repayment agreement.

MOTION TO APPROVE: Mr. Primas SECOND: Mr. Sadler AYES: 8

Chairman McCormac asked Ms. Hassett to summarize the Greater Camden Partnership, Inc. (P16667) project. Ms. Hassett explained that the \$200,000 public purpose grant would assist the GCP in implementing the Camden Special Services District (“CSSD”). The ERB grant will be used to purchase machinery and equipment needed to clean, maintain and patrol the district area with funds from the Downtown Revitalization and Recovery Fund.

GCP will oversee and manage the CSSD and will accept fiduciary responsibility for the entire effort. The GCP Board of Directors has amended its bylaws to establish the CSSD, and to create a management board comprised of principle stakeholders to assure project coordination and relevance to the goal of a “clean and safe” Downtown. The GCP staff CEO, Stephen Dragos, has experience in organizing and managing improvement districts in Somerville, NJ and in Phoenix, AZ. He is a member of the board and former chairman of the statewide leadership organization Downtown NJ, Inc., a former member of the board and executive committee of the International Downtown Association, and a member and former chairman of the Urban Land Institute Public Private Partnership executive council.

The proposed project is for the funding and implementation of the CSSD to provide clean & safe services in Downtown Camden. Basic services to be provided are security, maintenance, marketing and advocacy, which will improve the quality of the public spaces in Downtown, contribute to neighborhood stability as well as attract and retain businesses and development investments targeted in the Downtown Plan. Employee training will generally follow the precedents and protocols established in University City District and Center City District in Philadelphia, PA. The service area has been drawn so as to include the areas adjoining the Cooper Medical Center, the Walter Rand Transportation Center and government center, the blocks adjoining the colleges and universities, the PATCO stations, the waterfront from Campbell’s Field to the Tweeter Center, and the Light Rail platforms. Some of the equipment to be purchased includes, a gum removal machine, a pick up truck, and a steam genie, which is an automatic sidewalk steam cleaner.

MOTION TO APPROVE: Mayor Faison SECOND: Mr. Primas AYES: 9

Rosa Ramirez entered the meeting at 10:15

Chairman McCormac asked Mr. Primas to start his scheduled presentation. Mr. Primas stated that due to technical difficulties he would give the presentation at the next board meeting.

Chairman McCormac commented that the Technical Advisory Committee Report was provided to the ERB Board. He asked for any updates on activities in Camden from the board. Ms. DellaVecchia stated that NJHMFA accepts applications for low and moderate housing projects, and she noted that the City of Camden has been awarded the maximum number of applications allowable for this year’s 9% tax credit program, being three projects. Those projects are Cramer Hill, East Camden, and Baldwin’s Run.

Mayor Faison observed the need for better communication between CFDA and the City residents. She stated that City Hall had received numerous complaints regarding piles of dirt and debris left from a construction project. Ms. Hassett stated that she would reach out to Tom Corcoran, President, CFDA regarding those complaints.

Rosa Ramirez stated she was there representing the people together with the Mayor. She stated that residents continually ask her about the status of ERB projects. She conveyed the mounting sense of frustration expressed by some of the residents in her neighborhood who felt uninformed about the status of progress being made by the ERB.

Senator Bryant responded that of all the cities in New Jersey, Camden is the only city awarded three tax credit projects and that Camden has not had a tax increase because of the Municipal Recovery legislation. He went on to point out that property tax rebates have increased from \$250 to \$450 for residents of Camden. He also mentioned that following the ERB meeting he was off to attend another meeting to secure \$37,000,000 in state funding so that no police or firemen would be laid off from the City, and essential services would continue to be provided.

Caren Franzini stated that the ERB has a map of projects, listed by neighborhoods and that perhaps a way could be devised to better share this information with residents.

Rosa Ramirez asked if the ERB applications were only for non-profit organizations. Ms. Franzini responded that it wasn't only for non-profits, but in order to qualify as a project, there has to be some kind of building with bricks and mortar. She went on to say that perhaps with the help of Laura Wallick, Assistant Director; and Mujiba Parker, Project Officer, Community Development, the ERB could talk with residents regarding the application process, and how to fill it out. Ms. Franzini suggested that perhaps there could be another community outreach meeting in the near future.

Councilman Fuentes added that there should be meetings with the residents on a citywide basis and even after 5 pm.

Chairman McCormac requested public comments.

Mr. Colandus "Kelly" Francis, VP, Camden City Tax Payers Assoc., and President, Camden County NAACP stated that he wanted to point out some details regarding what Senator Bryant stated earlier. Mr. Francis stated that residents of Camden have the highest Municipal Tax Rate in the State, far exceeding other municipalities in the region. He went on to say that Camden needs to compete with other municipalities, i.e. Collingswood and Gloucester City. He also mentioned that he looked at the ERB Assisted Funds chart, but didn't see any real commercial or industrial ratables and would like to see more.

Randy Primas pointed out that that was not true. He noted that with ERB assistance, non-profit organizations are required to make a payment to the City.

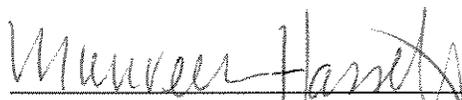
Melinda Sanchez, Project Manager, CFDA stated that her organization worked diligently with the community to inform them of the status of parking projects, and worked closely with Pastor Tyler of Macedonia Baptist Church.

Pastor Tyler took the opportunity to publicly thank the CFDA for the work they've done in his neighborhood. He stated that the neighborhood was starting to look very good and for that he was very appreciative.

Rodney Sadler pointed out that there were a few outstanding details from CFDA's work in the neighborhood that needed to be addressed. Some of the items included piles of debris, and unfinished curbs. He stated that he would get the complete list of items to Ms. Sanchez as soon as possible.

There being no further business, on a motion by Ms. Ramirez and seconded by Mr. Sadler, the meeting was adjourned at 10:55am.

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, VP Strategic Partnerships
Assistant Secretary, ERB