

**ECONOMIC RECOVERY BOARD FOR CAMDEN**

**Mount Calvary Community Center**

**July 24, 2007**

**MINUTES OF THE MEETING**

Members of the Board present: Chairwoman Lopa Kolluri, designee for State Treasurer Bradley Abelow; Reverend J. C. Jones, Vice Chairman; Mayor Gwendolyn Faison; City Council President Angel Fuentes; Gira Desai representing Acting DCA Commissioner Chuck Richman; Freeholder Director Louis Cappelli, Jr., and Public Members: William Hosey, Rodney Sadler and Rosa Ramirez.

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

Absent: Judge Theodore Davis, Acting COO; Secretary Caren Franzini, designee for EDA Chairman Carl Van Horn; and Legislative Members: Assemblyman Joseph Roberts, and Senator Wayne Bryant, and Public Member: Robert Milner.

Chairwoman Kolluri called the meeting to order at 10:02 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.

Chairwoman Kolluri asked for a motion to approve the June 21, 2007 minutes of the Board.

**MOTION TO APPROVE: Mr. Sadler    SECOND    Vice Chairman Jones 6**

Bill Hosey abstained because he was not present.

**MINUTES OF BOARD MEETING**

Rev. J. C. Jones, Pastor, Mount Calvary Baptist Church and Vice Chairman of the ERB welcomed all present to the Mt. Calvary Community Center. Rev. Jones stated that the center was used for Christian education and for outreach to the community. He invited board members and all present to attend services on Sundays at 11 a.m.

Chairwoman Kolluri requested Maureen Hassett to present the first item before the board, the Fair Share Northgate II Associates, L.P. or designee - \$603,000 Economic Recovery Board of Camden Direct Loan (P17296). Ms. Hassett stated that the Members were being asked to approve a 120-day extension of this loan commitment to October 31, 2007.

Ms. Hassett stated that in June 2006, the Members of the State Economic Recovery Board for the City of Camden, and the Board of the NJEDA, approved a \$603,000 loan to partially finance renovations to 94 low-rise affordable housing units at Northgate II in Camden. The renovation of the low-rise apartments was the final phase of a major renovation of the entire 402-unit complex, which also includes a 308-unit high-rise building. In addition, the ERB approved a \$631,725 grant for infrastructure costs including common area improvements, sewer facilities, the purchase of a water filtration system and electrical service. The remainder of the total

\$2,440,000 in project costs is funded by \$1,102,000 in 4% Low Income Housing Tax Credits, and a \$103,275 Deferred Developer's Fee. NJ Housing and Mortgage Finance Agency has provided construction financing and administers the tax credits. The ERB's loan commitment has been extended twice under delegated authority and expired on July 1, 2007.

The Northgate II construction financing closed with HMFA on December 7, 2006, in the amount of \$2,140,000. The Applicant achieved "Substantial Completion" certified by HMFA, the project architect and MMA Financial (tax-credit investor) on December 8, 2006. The cost certification of all development costs for both the hi-rise project and the low-rise project has been completed. The process is to submit the cost certification to HMFA for approval. Their approval will establish the cost basis for awarding the final tax credits for the project, which the award is evidenced by IRS Form 8609s. The 8609s list the eligible cost basis for each building and the amount of the tax credits. The approval of the 8609's and the cost certification could take approximately 45-60 days. When this is done, HMFA will schedule a final closing, which will include the ERB loan and grant funds and the investor tax credit equity funds. The borrower is in need of (a third) commitment extension to permit time to receive the Final Closing authorization from HMFA to close on the tax credits and ERB assistance.

**MOTION TO APPROVE: Cncl Pres. Fuentes SECOND Mr. Hosey AYES:**

Mayor Faison asked about the unpaid water and sewer bill as well as a possible lien placed on the property, stating that there may be pending litigation. She asked for guidance on potential conflicts.

**Rosa Ramirez entered the meeting at 10:13 a.m.**

Council President Fuentes also asked about potential damages related to the matter. DAG Bette Renaud asked Laura Wallick to verify whether the matter was in litigation or handled through an administrative appeal.

**The Fair Share Northgate II project was tabled until the status of potential litigation could be verified.**

Chairwoman Kolluri asked Ms. Hassett to present the second and final item before the board, the Puerto Rican Unity for Progress ("PRUP") - Broadway Infrastructure Project (P018785). Ms. Hassett stated that the members were being asked to approve a \$297,000 non-recoverable infrastructure grant to PRUP to fund infrastructure improvements between Broadway & Ramona Gonzalez (Division) Streets in the Bergen Square Section of Camden.

Ms. Hassett explained that PRUP has been at its present facility located at 427 Broadway for over 30 years providing case management services to over 8,000 individuals annually. This facility also houses PRUP's Youth Service and Resource Center, which provides computer training for youth, work readiness for 14- & 15- years old, arts/crafts and violence prevention programs for 9- to 18- years old. PRUP proposes to relocate and build a new facility in order to continue its current operations. This relocation is due to the expansion of Cooper Hospital and the construction of a school of medicine by the University of Medicine and Dentistry of New Jersey ("UMDNJ"). The project will facilitate the construction of a state of the art community and training center that will also serve as the organization's headquarters. The new building will consist of 8,500 sq. ft. of office, training, and community meeting space.

Its Youth Service and Resource Center consists of a computer instructor that provides an Introduction to Computers course to 40 youths each year, a Work Readiness instructor, job readiness, job seeking skills and employment placement to 14- and 15-year olds. The Youth Community Worker conducts outreach and works closely with local schools in identifying youth who are at risk of dropping out and can be directed to PRUP's after school activities. PRUP staff has been receiving extensive training from the Center for Youth Development, which is a program of the United Way of Southeastern Pennsylvania and by the NJ Department of Community Affairs ("DCA"). PRUP expects to hire 6 additional full time employees to its current workforce of 13. Four Case Managers and two Youth Instructors will be needed at the new facility with salaries varied from \$27,000 - \$32,000.

PRUP, under the case management program, provides advocacy, referrals and follow up to Camden County residents. PRUP strives to link individuals to good services that due to language and cultural barriers have been denied or have been inaccessible. It provides individuals with employment referral, placement, resume writing and preparation and related services, translation services, a quasi-legal service that allows the population to understand and better negotiate within the legal system. PRUP provides them with housing referral and advocacy, as well as obtaining resources of available housing and/or shelters that will service the target population. PRUP holds quarterly jobs and health fairs to better inform the population of services available.

The disbursement of ERB funds to PRUP will be based on a cost reimbursement basis and initially limited to those costs related to the preliminary assessment and site investigation of the property. This arrangement will ensure an effective coordination, monitoring and account of funds for this project.

**MOTION TO APPROVE: Mr. Hosey                      SECOND Rev. Jones    AYES:    7**

**Council President Fuentes abstained because he works for Cooper Medical Center in Camden.**

Chairwoman Lopa Kolluri asked for comments from the ERB members.

Council President Fuentes stated that it is critical to have the Executive Director of the Camden Redevelopment Agency (CRA) at these meetings to answer any questions that may arise because a number of projects come through his agency.

Maureen Hassett thanked Camden County Freeholder Director Lou Cappelli, Jr. for the advancement of the joint newsletter that will be launched in the fall. Freeholder Director Cappelli thanked everyone for their interest and involvement.

Chairwoman Lopa Kolluri asked Laura Wallick to verify the status of the litigation between Fair Share Northgate II and the City of Camden. Laura Wallick stated that Fair Share Northgate II filed a verified complaint in response to the City's tax lien sale for delinquent water and sewer bills and that the City has until the end of July to respond to the complaint. Maureen Hassett suggested DAG Renaud discuss this matter with City Attorney Louis Wilson to verify there is no conflict for the City ex-officio members and that a special board meeting be held via conference call. The motion on the matter was withheld.

Council President Fuentes indicated that the community room located in Northgate II is spacious and suggested that a future ERB board meeting be held there.

Chairwoman Kolluri opened the meeting to comments from the public.

Mr. Colandus "Kelly" Francis, President NAACP of Camden stated that he recently returned from Detroit where Camden high school students took part in the annual NAACP National ACT-SO contest competing in 25 categories. He stated that 7 students won gold medals, and 2 students won national awards for the State competition.

Mr. Francis stated that South Camden has environmental problems that affect the health of the residents. Michaels Development is planning to build more housing in the area and that St. Lawrence Cement, the cogeneration plant, and the sewer incinerator are located there. The NAACP continues to be opposed to housing development in the area. The NAACP is currently seeking a meeting with the Governor. Mr. Francis provided information for the HMFA to review.

Council President Fuentes asked if DEP could render a decision about the health conditions in the area, indicating that this should not become a national issue and that the health of the residents is a priority.

Chairwoman Kolluri agreed to have the DEP, which has visited the area, and the Deputy Attorney General to review the issue.

Frank Fulbrook of 211 Penn Street, Camden, invited the board to the groundbreaking ceremony for Cooper Grant Homes on Friday, July 27, 2007 from 10 – 12 noon on Front Street between Penn and Linden Streets. Mr. Fulbrook stated that all 18 units have lot hold deposits and that half of the buyers already live in Camden.

As Vice President of the Cooper Grant Neighborhood Association (CGNA), Mr. Fulbrook said 306 Cooper St. (Pierre Apartments), a 6-story, 43 unit building has serious structural problems and is a haven for criminal activity. Mr. Fulbrook expressed his opinion that because the building has structural issues and is a crime generator, the building should be demolished. It is a city-owned property and CGNA voted unanimously to support the demolition of the building.

Mr. Fulbrook asked if the Rowan University project was moving forward. Ms. Hassett responded that Rowan was asked to provide an update on the project but they haven't responded. Ms. Hassett indicated that the recent amendments to the Recovery Act legislation set forth a 2-year extension for the institutional projects.

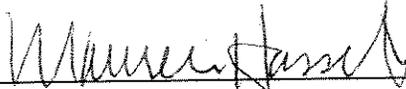
Mr. Fulbrook also asked if there is any non-committed demolition funding and if the \$5 million in demolition funds could be used to demolish the 306 Cooper Street. Ms. Hassett stated staff is reviewing fund balances and demolition is still an eligible activity for ERB funds.

Council President Fuentes sent a letter to Judge Davis regarding 306 Cooper to demolish the building. In addition, he and his colleagues on City Council do not support affordable housing at 301 Market Street, but will support senior housing at the site.

Eunice Jordan, Camden resident and owner operator of a demolition company in Camden introduced herself to the board and requested information on future demolition opportunities.

There being no further business, on a motion by Vice Chairman Jones and seconded by Mr. Sadler, the meeting was adjourned at 11:00 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.**

  
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Maureen Hassett, Senior Vice President  
Governance & Communications, EDA  
Assistant Secretary, ERB