

ECONOMIC RECOVERY BOARD FOR CAMDEN

July 28, 2005

Mount Calvary Baptist Church

MINUTES OF THE MEETING

Members of the Board present: State Treasurer, John E. McCormac, Chairman; Reverend J. C. Jones, Vice Chairman; Mayor Gwendolyn Faison; Chief Operating Officer Randy Primas; City Council President Angel Fuentes; Marge DellaVecchia representing Acting Commissioner Chuck Richman; and Public Members: William Hosey, Rodney Sadler, and Bob Milner.

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

Absent: Carlos Medina, designee for Al Koepp; Mayor James M. Maley, Representative of the Regional Impact Committee; Freeholder Director Louis Capelli, Jr.; Legislative Members: Assemblyman Joseph Roberts, Senator Wayne Bryant, and Public Member Rosa Ramirez.

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 July 6, 2005 meeting.

MOTION TO APPROVE: Mr. Sadler SECOND: Ms. DellaVecchia AYES: 9

MINUTES OF BOARD MEETING

Chairman McCormac asked for welcoming remarks from Reverend Jones, Pastor Mount Calvary Baptist Church. Reverend Jones deferred the welcoming remarks to Deacon Herb Waldron, Chairman of Mt. Calvary's Building committee. Deacon Waldron welcomed the ERB Board on behalf of Reverend Jones and Mt. Calvary Baptist Church. He pointed out that Mt. Calvary teaches vacation bible school, as well as G.E.D. classes. He also mentioned that they rent the community center, where the meeting was being held, out to different groups in the community. Deacon Waldron went on to say he was honored to have the ERB meeting held there and he was humbled by the experience.

Chairman McCormac asked Maureen Hassett to present the Fairview Village Urban Renewal Associates, L.P. project (P016486). Ms. Hassett summarized the grant which totals \$1,288,729 that will be used to fund infrastructure improvements related to the development of Fairview Village Phase II, an affordable housing development project. The development consists of five buildings containing 60 rental units. Two buildings, each containing 15 two-bedroom apartments are two-stories and will be rehabilitated. Three buildings, each containing 4 two-bedroom apartments and 6 three-bedroom apartments, will be newly constructed townhouses and will contain one-story and two-story apartments. The Project, which is bounded by Collings Avenue and Fairview Court, has received wide support in a number of ways from the City, CRA, as well as ongoing input from the community.

Incorporated in 1994, RPM has developed over 25 rental housing communities and 5 for-sale communities, representing over 1,000 units and more than 100,000 sf of commercial space. Local and minority hiring has exceeded City requirements to date because RPM is committed to community development.

Ms. Hassett noted that contingencies for the project were receipt of a finalized CRA board resolution and agreement for Fairview's purchase of properties; Fairview's obtaining commitments for the balance of the funding from the NJHMA, DCA and the City of Camden, or other sources should NJHMFA, DCA and/or City of Camden funds not be available; and the balance of funding being obtained within six month of approval, with the option to extend an additional three months and the approval of the CEO as well as those commitments being satisfactory to the EDA.

Chairman McCormac asked that the motion to approve be delayed until representatives of RPM arrived to give their presentation.

Mr. Primas stated that it was a joy to work with RPM developers, and that over 50% of employees on the project were residents of the City.

Chairman McCormac asked Mr. Primas to start his presentation. The presentation titled "Camden First", showed the state of the City in 2002 before the inception of the ERB and highlighted the steady progress made since the inception of the ERB. It pointed out that in 2002, income levels were low, the poverty rate was high. High taxes chased residents and businesses away, a mere 50% of the residents had HS diplomas and 40% were functionally illiterate. Since the passing of the Municipal Rehabilitation and Economic Recovery Act (MRERA), the inception of the ERB, and the involvement of the CRA, the City's future is looking much brighter indeed. The presentation showed that starting a business is now a reality, residents are getting training, unemployment is down, healthcare facilities continue to grow, and residents can have been presented with opportunities to receive a quality education. The presentation covered a myriad of subjects that effect the residents in a positive way and which indicate a brighter future for the City is on the horizon.

Mr. Primas remarked after the presentation that he was aware that not all residents could see tangible improvements. He pointed out that there have been many improvements to the city's infrastructure and sewer system. He also noted that change takes time. He stated that it would take more than 3 – 5 years to see the kinds of improvements everyone wants, but more like 10 –

15 years. Finally, he noted that 50% of the land in Camden was tax exempt. The city generated \$20 million from taxes, which is not enough to pay for healthcare benefits for employees in additions to all of the City's operating costs. If the city is to truly grow and reach its potential, it needs private investors as well as government investment.

Chairman McCormac asked the representatives from RPM Developers to give a brief presentation. Brendan McBride, Director of Housing stated that they have rehabbed existing buildings and enhanced Fairview, a formerly blighted neighborhood. They are in the 2nd phase of the project, to build 35 new homes. They moved their first resident into a 22 unit building with apartments that look like townhouses. They also have the first 15 tenants approved for sale and ready to move in.

Mr. McBride went on to state that Fairview Village is an example of how renovated neighborhoods can be successful. With 45% of applicants coming from outside of Camden, the project is bringing greater diversity to the area, both ethnic and economic. RPM's goal is to eliminate board-ups in the City and in October of this year, they plan to open a community center in Fairview Village.

Mayor Faison commended RPM Developers on a particular case that came into her office. A young lady applied for Fairview Village, and met obstacles due to not having any established credit, but with RPM's guidance she was able to move in.

Reverend Jones asked how much the rents were at Fairview Village, noting that often what is affordable to some is not affordable to others. Brendan McBride said they have forty-two (42) 2-bedroom units with rents of \$600, plus utilities; and eighteen (18) 3-bedroom units with rents of \$750.00, plus utilities. In addition, at the request of DCA, they have set aside ten (10) 2-bedroom units, with rents of \$367.00. These units are for formerly supportive housing residents, i.e. formerly homeless or victims of domestic violence. RPM will work with the State to identify applicants who qualify for the subsidized housing.

MOTION TO APPROVE: Mr. Primas SECOND: Council Pres. Fuentes AYES: 9

Chairman McCormac asked Ms. Hassett to summarize the Qualified Municipality Capital and Economic Recovery Financial Plan. Section 45(d) of the Act states that the Board shall submit to the legislature on or before August 1st of each year a Qualified Municipality Capital and Economic Recovery Financial Plan designed to implement the financing of proposed projects. The Financial Plan is to contain an enumeration of the bonds, notes or other obligations of the EDA. In addition, the Financial Plan shall contain proposed amounts to be appropriated and expended, as well as any amounts that the EDA intends to obligate in the ensuing fiscal year.

In order to fulfill the Board's responsibility towards submitting the Financial Plan, staff is recommending that the Financial Plan, which consists of 1) a summary of funding for projects approved within the five established categories; 2) a listing of the statutorily authorized higher education and hospital expansion projects; and 3) the anticipated funding of ERB and EDA projects for the ensuing year, be approved.

MOTION TO APPROVE: Ms. DellaVecchia SECOND: Mf. Primas AYES: 9

Chairman McCormac commented that the Technical Advisory Committee Report was provided to the ERB Board. He mentioned that Maureen Hassett and he had attended a very productive meeting with the CCOP. He said the meeting and resulted in several suggestions and ERB Staff had initiated plans to develop technical assistance for neighborhood groups, a citywide home improvement program and utilizing the Department of Labor's One Stop Center as a job recruitment center for businesses receiving ERB financing as well as using the Department of Labor to track jobs given to City residents.

Chairman McCormac requested public comments.

There were no comments from the public.

Chairman McCormac requested comments from board members.

Mr. Primas pointed out a headline in Thursday's Courier Post that incorrectly stated that taxes would be tripled for residents of Cramer Hill in new housing. He went to say the headline was untrue and that he and the Mayor were going to meet with the leadership of the Courier Post to put ensure the accuracy of future articles covering Camden.

There being no further business, on a motion by Ms. DellaVecchia and seconded by Mr. Primas, the meeting was adjourned at 11:05am.

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