

ECONOMIC RECOVERY BOARD FOR CAMDEN

September 20, 2004

City Hall Council Chambers - Camden, NJ

MINUTES OF THE MEETING

Members of the Board present: State Treasurer John E. McCormac, Chairman; Marge DellaVecchia representing Commissioner Susan Bass Levin; Dennis G. Kille representing Mayor Gwendolyn Faison; Chief Operating Officer Randy Primas; City Council President Angel Fuentes; Public Members, William Hosey, Robert Milner, and Rodney Sadler.

Absent: Alfred Koepp, Chairman of the NJ Economic Development Authority; Reverend J. C. Jones, Vice Chairman; Camden County Freeholder Jeffrey Nash, Legislative Members: Senator Wayne Bryant, Assemblyman Joseph Roberts; and Public Member Rosa Ramirez.

Also Present: Assistant Secretary Maureen Hassett; Deputy Attorney General Bette Renaud; NJEDA staff, and guests.

Chairman John McCormac called the meeting to order at 10:09 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.

MINUTES OF BOARD MEETING

Chairman McCormac asked for a motion to approve the June 22, 2004 and the August 3, 2004 minutes of the Board.

MOTION TO APPROVE: Ms. DellaVecchia SECOND: Mr. Sadler AYES: 7

Chairman McCormac introduced Council President Angel Fuentes for welcoming remarks. Mr. Fuentes welcomed the ERB members and guests to the City Hall Council Chambers. He expressed his gratitude to the Freeholders for the renovations to Council Chambers. He proudly pointed out the murals on the walls that represent the Past, Present, and Future of Camden. He stated that in the murals you can see the struggles and hopes of Camden as well as what the City can become.

Chairman McCormac asked Maureen Hassett to present the Change to ERB Guide to Programs Funds for consideration. Ms. Hassett explained that the change to ERB Assistance Guideline No. 8 would allow for recoverable grants up to \$100,000 to be made for feasibility studies and other pre-development costs related to the project. This amendment would allow the ERB to better assist projects as intended by the Municipal Rehabilitation and Economic Recovery Act (Act).

MOTION TO APPROVE: Ms. DellaVecchia SECOND: Mr. Sadler AYES: 7

Chairman McCormac requested Ms. Hassett to present the Central Waterfront Housing and Temporary Parking (CWH&TPP) Project (P016137). Ms. Hassett stated that because of the tremendous amount of activity in the waterfront area in recent years a strain has been placed on existing parking inventory. To address this, a Taskforce has convened, including representatives of CRA, DRPA, CFDA, NJEDA and the Department of Treasury to discuss short and long term parking requirements.

Ms. Hassett stated that the CWH&TPP is a \$3,910,500 project for the design and construction of 1,500 additional parking spaces needed to support waterfront activity. The project will be located in a 7-block area in the Central Waterfront neighborhood of Camden. The term of the temporary parking is estimated at 5 years with selected project sites to ultimately be sold to private developers to construct housing.

The project scope consists of the acquisition of 53 properties from private owners, including the relocation of 10 residences and one business. 39 City or CRA owned sites are also included in the 9-acre project area. The CRA has committed to providing the same relocation benefits to all property owners impacted by the project, regardless of if the transaction is voluntary acquisition or by condemnation. The recoverability of the CSH&TPP grant will be secured by mortgages on the properties associated with the project that are currently owned by the City and CRA and those to be acquired as part of the project.

As a condition of the grants, the CRA will establish an escrow account for the deposit of the net parking revenue generated by the CRA from the temporary parking lots established by this project. The revenues are estimated at \$120,000 per year.

Chief Operating Officer Randy Primas entered the meeting at 10:20 am.

MOTION TO APPROVE: Mr. Milner SECOND: Mr. Sadler AYES: 7

Mr. Primas recused himself from voting because he is on the Board of the CRA.

Chairman Mc McCormac asked Ms. Hassett to present the Cathedral Soup Kitchen (CSK) project (P015939). Ms. Hassett explained that CSK has spent \$250,000 of its funds for the purchase of a building located at 79 Newton Avenue in Camden. The funds spent included \$120,000 in pre-development costs including architect designs for the renovation of the building.

In July 2004, the CRA informed CSK that Camden's plans for the area were amended and under the new land use regulations, a soup kitchen would not be a permitted use.

CRA worked with CSK to identify and acquire a new site. To this end, the CRA and CSK have entered into Memorandum of Understanding. CRA has agreed to donate a property located at 1514 Federal Street in Camden in a ready to build condition, which includes the demolition of the existing building and environmental cleanup.

The CSK is an independent 501 (c) 3 organization founded in 1976 to provide evening meals to hungry residents in Camden regardless of their ability to pay. Over the years CSK has grown into the largest feeding organization in the City of Camden.

The \$100,000 pre-development recoverable grant would be used to fund architect and engineering fees associated with developing a construction budget for the project. The development of a construction budget is essential for CSK to implement its capital campaign. As a condition for the recoverable grant, the CRA has agreed to reimburse any costs to CSK in the event that a redevelopment plan for the area is adopted that is not compatible with the proposed use.

MOTION TO APPROVE: Mr. Sadler

SECOND: Mr. Hosey

AYES: 8

Chairman McCormac introduced William E. Whelan, Executive Director of the St. Joseph's Carpenter Society. Mr. Whelan gave a presentation regarding the Carpenter Society's vision for East Camden. He stated they were a 501 (c) 3 community development corporation founded in 1985 by Msgr. McDermott with a 20 year history of rehabbing and selling homes in East Camden. They've sold over 500 homes in East Camden to low or moderate-income residents.

Mr. Whelan stated that when they started in 1985 one in every six houses in the neighborhood was empty and their average house sold for \$18,000. Today, one in forty homes is vacant and the average house sells for \$58,000.

Mr. Whelan stated that the Carpenter's Society offers a Homeowner's Academy to the residents that teach the Home buying Process, Home Maintenance, and Personal Financial Planning among other self-improvement classes.

To support future re-development, he stated that additional funding is needed for acquisition, relocation, demolition and infrastructure in East Camden. Specifically, the section of Boyd and Morse Streets known as the "alley" is a haven for all forms of illegal activities. St. Joe's is seeking to demolish and construct new housing in this area and will be requesting HMFA and ERB financial assistance on the project.

Chairman McCormac asked Maureen Hassett to present the Technical Advisory Report.

The TAC report will be made available later.

Ms. Hassett pointed out there were folders handed out to the members, which highlighted the Governor's Innovation Zone Program and other EDA program enhancements. Ms. Hassett indicated that the Innovation Zone concept is designed to stimulate collaboration between the State's universities and the business community.

She also mentioned that under the Springboard Fund II recoverable grants of up to \$250,000 are available to startup and early-stage companies for project or process development. She mentioned the BEIP program is offering funds for companies seeking to expand or locate in an Innovation Zone and that Technology Tax Certificate Transfer Program allows high-tech companies to sell unused Net Operating Loss (NOL) and unused research and development (R&D) tax credits to other New Jersey corporations for at least 75% of their value.

Chairman McCormac requested comments from the public.

Betsy McBride, Community Organizer for the South Camden Citizens in Action asked the Board members to look at funding other housing developers besides St. Joseph's Carpenter Society. She stated that St. Joseph's has previously received funding from the ERB and other private funding.

Ms. McBride mentioned that on Friday, September 17, 2004 she rode the NJ Light Rail into Camden and was concerned that a parking lot at the Tweeter Center was chained up and empty all day. She suggested it be made available for general parking and that riders could be shuttled to their locations.

Maureen Hassett clarified for Ms. McBride that the St. Joseph's Carpenter Society in fact had never received funding from the ERB.

Chairman McCormac requested any other comments.

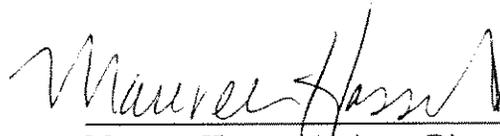
City Council President, Angel Fuentes announced the hiring of Mylena S. Sutton and Tina M. Vignali to the non-partisan professional positions of Legal Research Officer. The positions will provide assistance to City Council in support of its legislative activities and will mirror the work of the New Jersey State Office of Legislative Services. Council President Fuentes welcomed Mylena and Tina to the governing body of Camden and stated they were shining examples of the Board's efforts to bring the best and brightest professional staff to help move Camden City forward in its redevelopment efforts.

Chairman McCormac thanked everyone for attending, especially in light of the flooding in Trenton and surrounding areas of the State.

Maureen Hassett informed everyone that the October meeting would be held on Tuesday, October 26, 2004 at the Camden County College - Technology Center in Camden at 10am.

There being no further business, on a motion by Marge DellaVecchia, and seconded by Rodney Sadler, the meeting was adjourned at 10:45 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, Assistant Director, EDA
Assistant Secretary, ERB