

ECONOMIC RECOVERY BOARD FOR CAMDEN

October 23, 2012

Waterfront Technology Center, Camden, NJ

MINUTES OF THE ANNUAL MEETING

Members of the Board present: Albertha Hyche, Chairperson, designee for State Treasurer Sidamon-Eristoff; Paul Macchia representing DCA Commissioner Richard Constable, III; Ralph Kramer designee for Mayor Dana Redd; Maureen Hassett designee EDA Chairman, Al Koepp; Jason Asuncion designee for City Council President Francisco Moran; Legislative Member Freeholder Director Louis Cappelli, Jr., Non-Voting Member; Public Members: Rodney Sadler, and William Hosey.

Also Present: Laura Wallick, Assistant Secretary; Bette Renaud, DAG; Brett Tanzman, Governor's Authorities' Unit; and EDA staff.

Absent: Public Members Rev. J. C. Jones, Vice Chairman; Robert Milner, and Rosa Ramirez.

Chairperson, Albertha Hyche called the meeting to order at 10:00 a.m.

In accordance with the Open Public Meetings Act, Ms. Wallick announced that notice of this meeting had been sent to the *Star Ledger*, the *Times*, and the *Courier Post* 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.

Chairperson Hyche asked for a motion to approve the June 26, 2012 minutes of the Board.

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

Chairperson Hyche presented the Annual Meeting memo. Chairperson, Hyche stated that the ERB's bylaws provide that an annual reorganization meeting be held in October of each year. The purpose of the meeting is to elect the officers of the Board for the coming year including the Vice Chair and Treasurer. She advised that Reverend J. C. Jones has expressed an interest in continuing to serve as Vice Chairman and as is customary, the State Treasurer or his designee would serve as the Treasurer.

The appointment of a Board Secretary and any Assistant Secretaries is also required. The Members were asked to confirm Maureen Hassett, Senior Vice President of the NJEDA as Secretary and to appoint Laura Wallick, Director – Finance and Development of the NJEDA and Kim Ehrlich, Strategic Partnership Officer of NJEDA to serve as Assistant Secretaries.

Chairperson Hyche advised that the by-laws provide for the formation and appointment of the Members to the committees charged with advising the Board in its operations. The Board has two committees that were formed; the Policy Committee and the Project Review Committee. Following is a description of the committees and the recommended appointments.

Policy Committee - This committee reviews the implementation of the Strategic Revitalization Plan, the Capital Improvement and Infrastructure Plan, the City Master Plan and the ERB Guide to Program Funds and monitors the progress of the investment strategy for the fund disbursements. This committee will consist of the Chairperson and the following four appointments: Camden City Mayor, Dana Redd, or designee, Commissioner of New Jersey Department of Community Affairs, Richard E. Constable III or designee, Camden City Council President, Francisco Moran, or designee and Public Member, Rodney Sadler.

Project Review Committee (PRC) - This Committee reviews and approves all projects for financing prior to submission to the Members of the Board. Projects will be reviewed for their consistency with the Strategic Revitalization Plan, Capital Improvement and Infrastructure Plan and the ERB Guide to Program Funds. The Project Review Committee will consist of the Chairperson and five appointments that will rotate monthly. The rotating Members will include the Commissioner of New Jersey Department of Community Affairs or designee, Camden City Mayor, Dana Redd, or designee, Rodney Sadler, William Hosey, Robert Milner, Rosa Ramirez, Reverend J.C. Jones, and Freeholder Director, Louis Cappelli.

As the ERB funding resources are limited, adopting an as needed board meeting schedule is recommended.

By resolution, the Chairperson Hyche asked the Members approval to adopt an “as needed” board meeting schedule, approve the Secretary, Assistant Secretaries and Committee appointments and confirm the Vice Chair and Treasurer appointments.

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

Ms. Hassett thanked the Board Members for their 10 plus years of continued dedication and service to the ERB Board and its mission to revitalize the City of Camden.

Chairperson Hyche asked Ms. Wallick to summarize the next item on the agenda, the Rowan University (P37597) project. Ms. Wallick stated that the Members were being asked to approve a \$5.1 million non-recoverable grant to Rowan University (“Rowan”) to fund a portion of the construction and renovation costs associated with the adaptive re-use of the former First Camden National Bank & Trust Building which will allow Rowan to expand its campus on Broadway and Cooper in Downtown Camden as provided by Article 5, Section 52(a) of the Higher Education and Regional Health Care Development Fund (HERHC) and to recommend this project to the NJEDA Board for funding authorization.

As allowed by Guideline #5, ERB funds will be used for construction financing for this mandated project. Funds will be disbursed for the construction costs based upon receipt and satisfactory review of AIA Application and Certification for Payment and supporting documentation.

Ms. Wallick advised that this project is consistent with the Strategic Revitalization Plan and with the City’s Master Plan which recognizes higher educational institutions like Rowan as major stakeholders in the City’s economic revitalization. This project adds to the tremendous real estate development these institutions already have in Camden. The project is located within an “Employment Opportunity Area” per the SRP and is expected to create 21 permanent full-time and 3 part-time jobs within the next two years.

Rowan has met the three requirements stipulated in the legislation; Rowan has achieved the match funding requirement through its equity investment for the purchase of the bank building and the related costs, Rowan has executed a Service Agreement with the City of Camden and Rowan offers three four-year programs at the Camden campus.

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

Mr. Hosey asked if there was a Partnership Labor Agreement (PLA) in place for community hires. Mr. Joe Monahan, Assistant Vice President of Facilities for Rowan stated that there wasn't but it could be considered for inclusion.

Chairperson Hyché asked Ms. Wallick to summarize the next item before the Board, the ERB Business Incentive Grant Programs Status Update. Ms. Wallick stated that the Members were being asked to extend the ERB Business Incentive Grant Programs an additional 12 months through September 30, 2013 and recommend approval to the EDA Board.

Under the **Business Improvement Incentive** program, \$500,000 is allocated to reimburse financially viable business applicants for 50% of the cost of improvements made to facilities located on any of the city's major commercial corridors with a maximum incentive of \$20,000. The program is structured to allow for the full amount of the incentive award to be disbursed to the applicant upon completion and inspection of the improvements. For investment properties owners, there is a limit of three BII grants.

Through the **Business Lease Incentive** program, \$7 million is allocated to attract businesses seeking to relocate to the City of Camden and plan to lease more than 500 s.f. of market rate building space. The program can also support existing City businesses seeking to expand and lease a minimum of 500 s.f. of additional space. The program is structured to reimburse financially viable businesses a portion of their annual lease payment according to the type of space leased by the business. The annual incentive payment cannot exceed 50% of the annual lease payment or when combined with any other governmental grants, cannot exceed 80% of the annual lease payment.

Ms. Wallick advised that to date, ten applications have been approved under the BII program for a total of \$165,741 which has leveraged more than \$464,000 in private investment and resulted in the creation of 18 new jobs. The balance remaining under this program is approximately \$334,000.

She added that under the BLI program, 24 applications have been received and approved for approximately \$2.9 million. Of the 24 approved projects, 2 are inactive. The remaining 22 projects have resulted in approximately 275,000 s.f. of additional leased space and the creation of approximately 576 new jobs spurring approximately \$39 million in new rents over the next 10 years. The balance remaining under this program is approximately \$4.1 million.

By offering these incentives, the ERB reaffirms its support of the Camden business community as an integral part of the City's revitalization efforts and economic health. The BII and BLI will continue to leverage private investment and stimulate other economic development activities throughout the City of Camden as intended by the Act.

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

The next items before the board were for informational purposes only.

Ms. Wallick stated that the following projects were approved under Delegated Authority in June 2012.

1. Rowan University (Rowan) P36026

On June 8, 2011, the Members of the ERB approved a \$9,000,000 non-recoverable grant to fund a portion of the construction and permanent financing for a six-story, 200,000 sq. ft. academic medical research and education facility in the Lanning Square neighborhood in Camden.

The construction of the medical school building is complete. A temporary certificate of occupancy (TCO) was issued on July 9, 2012 and Rowan and Cooper administrative staff began moving into the building on July 16, 2012. The grand opening was held on July 24, 2012.

Rowan requested an extension to the term of the grant from June 30, 2012 until December 31, 2012 in order to allow sufficient time to receive the permanent certificate of occupancy (PCO) and prepare the necessary paperwork to request the balance of the grant funds, which requires receipt of the PCO, which is now anticipated by mid November.

Chairperson Hyche requested comments from the Board members.

Mr. Hosey inquired about the balance remaining in the ERB funds. Ms. Wallick reviewed the funds line by line. Freeholder Cappelli asked if the remaining funds were already committed, Ms. Wallick stated that they were not.

Freeholder Cappelli asked which funds could increase because of repayments. Ms. Wallick said the Demolition & Redevelopment Financing Fund since this is the fund used for the loans to M & A Holdings Co., LLC and El Centro and all of the recoverable grants provided to the Camden Redevelopment Agency (CRA). She noted that if the CRA sells the properties, they are required to provide 50% of the sale to the ERB.

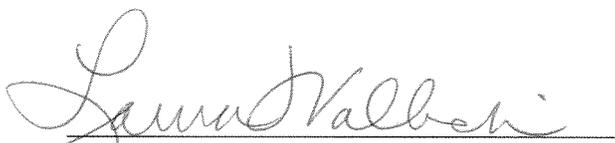
Ms. Hassett thanked the Members again for their dedication.

Ms. Wallick requested comments from the members of the public.

There were no public comments.

There being no further business, on a motion to adjourn the meeting was made by Mr. Hosey, and seconded by Mr. Sadler. The meeting was adjourned at 10:35 a.m.

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.


Laura Wallick, Director, Finance and Development
Assistant Secretary, ERB