STATE OF NEW JERSEY
NEW JERSEY COMMERCE & ECONOMIC
GROWTH & TOURISM COMMISSION

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IN RE: NEW JERSEY URBAN ENTERPRISE ZONE
AUTHORITY PUBLIC MEETING
(February 14, 2007 agenda meeting)

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Transcript of proceedings taken on March 14, 2007 at 10:10 a.m. at the Mary Roebling Building, 20 West State Street, 2nd Floor, Conference Room #218, Trenton, New Jersey, 08625.
BOARD MEMBERS:
James A. Carey, Governor's Authority Unit
Ambar Abelar, Public Member
Ana Montero, Labor & Workforce Designee
Linda Lenox, UEZ Staff
Kathleen Kube, Chairwoman Designee
Edward Pillsury, DAG
Donna Pearson, Public Member
Michelle Richardson, DCA Designee
Lewis Hurd, Public Member
Lopa Kolluri, Treasury Designee
<table>
<thead>
<tr>
<th>PRESENTERS</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridgeton, Sandi Zapolski</td>
<td>6</td>
</tr>
<tr>
<td>East Orange, David Clark</td>
<td>7</td>
</tr>
<tr>
<td>Irvington, Ron Brown</td>
<td>10</td>
</tr>
<tr>
<td>Irvington, Cassandra Chatman</td>
<td>15</td>
</tr>
<tr>
<td>Jersey City, Roberta Farber</td>
<td>22</td>
</tr>
<tr>
<td>Lakewood, Doug Doyle</td>
<td>26</td>
</tr>
<tr>
<td>Lakewood, Russell Corby</td>
<td>34</td>
</tr>
<tr>
<td>Mount Holly, Kevin Mizikar</td>
<td>39</td>
</tr>
<tr>
<td>Paterson, Jan Northrup</td>
<td>47</td>
</tr>
<tr>
<td>Phillipsburg, Mark Portnay</td>
<td>71</td>
</tr>
<tr>
<td>Roselle, Harry Wyatt</td>
<td>74</td>
</tr>
<tr>
<td>West New York, Oscar Miqueli</td>
<td>80</td>
</tr>
<tr>
<td>Elizabeth, Mario Rodrigues</td>
<td>81</td>
</tr>
<tr>
<td>Mount Holly, Kevin Mizikar</td>
<td>82</td>
</tr>
<tr>
<td>Consent agenda</td>
<td>83</td>
</tr>
</tbody>
</table>
MS. KUBE: Good morning all. I welcome you to today's meeting of the Urban Enterprise Zone Authority. As you know, last month's meeting was canceled due to the snow, so today's meeting will be longer, we are going to cover the February and March agenda.

I would ask each of you who are going to present a project that you make a brief presentation and save time for any of the questions or concerns of the Board members. I would like to also introduce, if I could, a new treasury designee Lopa Kolluri. Welcome on board.

MS. KOLLURI: Thank you.

MS. KUBE: And today we also have Ana Montero who is replacing Marilyn Davis, just for today's meeting, from the Department of Labor.

Today's meeting is Wednesday, March 14, and I will ask Linda to do roll call.

MS. LENOX: In compliance with the Open Public Meetings Act, at least 48 hours notice of this meeting was sent by way of the Secretary of State to the following newspapers: The Star Ledger, the Trenton Times, the Trentonian, the Courier Post, the Atlantic City Press, the Asbury Park Press and the Bergen Record. Now we will have roll call. Ana
Montero, Labor and Workforce.

MS. MONTERO: Present.

Community Affairs.

MS. LENOX: Michelle Richardson,

MS. RICHARDSON: Present.

MS. LENOX: Lopa Kolluri, Treasury.

MS. KOLLURI: Present.

MS. LENOX: Public member Ambar Abelar.

MR. ABELAR: Here.

MS. LENOX: Public member Lewis Hurd.

MR. HURD: Here.

MS. LENOX: Chairwoman Designee Kathleen Kube.

MS. KUBE: Here.

MS. LENOX: We have a quorum.

MS. KUBE: Great. The first agenda item that we will do is approve the January 10, 2007 minutes, if I could please ask for a motion.

MR. ABELAR: So moved.

MS. KUBE: Motion by Mr. Abelar.

MR. HURD: Second.

MS. KUBE: Second by Mr. Hurd. Any comments, questions, concerns from the Authority members? Hearing none, all in favor please signify by saying aye. Any abstentions?
MS. KOLLURI: Abstention.

MS. KUBE: One abstention by Ms. Kolluri. Motion carries. I will also note for the record that Donna Pearson has arrived. Good morning, Donna.

MS. PEARSON: Good morning.

MS. KUBE: Next agenda item under new business is Bridgeton's request for $132,535 for UEZ police, year three. Is Sandi Zapolski here? Hi, Sandi. Please come up.

MS. ZAPOLSKI: Good morning.

MS. KUBE: Good morning.

MS. ZAPOLSKI: This is our request for year three for Urban Enterprise Zone to police mostly our downtown area, but we are using them in other portions of our UEZ also. It's $132,535, it will include salary and fringe benefits.

MS. KUBE: Okay. Do you want to introduce--

MS. ZAPOLSKI: Sure. This is Sergeant Lee Smith, and he's the officer in charge of the UEZ police.

MS. KUBE: Okay, thank you. May I have a motion, please.

MS. RICHARDSON: So moved.
MS. KUBE: Motion by Ms. Richardson.

Second?

MR. HURD: Second.

MS. KUBE: Second by Mr. Hurd. Are there any questions, comments or concerns from the Authority members? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carried.

Congratulations.

MS. ZAPOLSKI: Thank you.

SERGEANT SMITH: Thank you.

MS. KUBE: Next agenda item is from East Orange, and it is the Clean Team Project phase one in the amount of $427,069, and David Brown is with us this morning. Dave Clark, excuse me, Dave Clark.

MR. CLARK: Good morning. Again, my name is David Clark, I am the UEZ coordinator for the city of East Orange, and I have with me Mr. Mike Johnson who is the Assistant Director of Public Works.

This morning we are requesting $427,069 for the Clean Team Project, phase one. If
approved this project will consist of the city purchasing two sidewalk sweepers, 200 public litter baskets, and also hiring eight employees, two will be full-time operators of the sidewalk sweepers. The project will be supervised and managed by public works. And the machines will also be housed at our municipal garage. At this point I will take any questions that you may have.

MS. KUBE: Okay. First may I get a motion, please?

MS. RICHARDSON: So moved.

MS. KUBE: Motion by Ms. Richardson. Second?

MS. PEARSON: Second.

MS. KUBE: Second by Ms. Pearson. Any questions?

MR. ABELAR: I saw the rate was $15 an hour for each operator here. I am from the private sector, and I think this is quite high. But that's the only comment I have.

MR. CLARK: The annual salaries are 31,200, I didn't break that down per hour.

MR. JOHNSON: It's in line with the salaries that are paid a comparable worker in our department.
MR. ABELAR: We're in the private sector, this is a job to pick up garbage, $15 an hour plus benefits in the private sector, it's quite high, in dealing with the private sector.

MS. KUBE: I think it's an average salary, I disagree with you, okay. Any other questions?

MS. PEARSON: No.

MS. MONTERO: Wait, the hires, how many? Say again how many new hires are you expecting?

MR. CLARK: Eight.

MS. MONTERO: And two are running the sweeper machines?

MR. CLARK: Right.

MS. MONTERO: And the others are?

MR. CLARK: The other six will be litter collectors.

MS. MONTERO: That's it.

MS. KUBE: Any other questions, comments, or concerns? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.
MR. CLARK: Thank you very much.

MS. KUBE: Thank you for coming down.

The next items we have are Irvington. I don't know, is Cassandra presenting all three?

MS. CHATMAN: I'm presenting the walking patrol and the marketing, and Ron is presenting the clean team.

MS. KUBE: Okay, we will take each item separately. Ron, if you will come up as well.

First agenda item is for $269,350 for clean team, clean community initiative phase two. Mr. Brown, Ron Brown will make the presentation.

MR. BROWN: This is an ongoing project that in Irvington City is a very important piece of our economic development, also our retail sector depends on it. We have challenges such as litter collection, an increase in what we call residency people coming in, people going out, and it's very important for the retailers to have something that is a component that helps the retail sector see that we're cleaning up the town. And when people come through the town they see that we have this group of people out there that are constantly reinforcing our public works department and our retail sector.

MS. KUBE: Thank you, Ron. May I have
a motion, please?

MR. HURD: So moved.

MS. KUBE: Motion by Mr. Hurd.

MS. KOLLURI: Second.

MS. KUBE: Second by Ms. Kolluri. Any questions, comments or concerns from any of the Authority members?

MR. ABELAR: Yes. How much is the annual salary of each of the workers, the full-time workers?

MR. BROWN: Okay, the annual salaries of the workers are in line with what the State requires, and we go on, what is it, the Department of--

MS. CHATMAN: Personnel.

MR. BROWN:-- Personnel. And they have a guideline for the starting salaries for the employees. Some of these people have been here for a period of lets say three or four years, and they start at a starting salary I think maybe it's 19, 20, and they have steps and increments.

MR. ABELAR: I think you have four public workers.

MR. BROWN: Yes.

MR. ABELAR: And $185,000 for the year,
that would make $46,000 each.

MR. BROWN: No, we have it broke down on salary, if you look on page 11.

MR. ABELAR: Yeah, I understand, I divided $181,000, which is the four full-time workers, by four, and that's--

MR. BROWN: That's salary and benefits.

MR. ABELAR: Correct. All right.

MS. PEARSON: That's not how it's done, no, no.

MS. KUBE: Any other questions?

MS. MONTERO: I have one general question. I see the job description for the community relations specialist position.

MR. BROWN: Yes.

MS. MONTERO: But would you please describe what you would consider a successful community relations specialist position? What are your primary goals for that particular function?

MR. BROWN: That person in this project we see in the township is an individual who goes out and does a lot of marketing for us. Also when I say marketing what I mean, for instance, last year we had Comcast come in and do a Comcast care day, and this person organized, in conjunction with Comcast,
to go out and clean the neighborhoods. Comcast came in and they gave us some land, a little park facility they gave us, but they also gave us the resources to clean up the areas.

He does a lot of what we call when I say marketing I mean we will have him go out and clean neighborhoods, talk to schools, create projects such as our refuge project, clean up lots. He goes out and gets people, volunteers to come in and clean up areas, which doesn't put an impact on our township people. He speaks to the community about litter, he speaks to the community about changing the overall dynamics of the perception of people about the Township of Irvington. He goes out and he generates all kinds of positive attitudes.

We have what we call a community garden, this community garden is a garden where we get the American flag, and it made people in the town not only know that Irvington is a place that we have a retail sector, but also in terms of being a township that looks at the idea of having nationalistic feelings to the town. So we did a bouquet of flowers, we had the school children involved, we had the council people involved, we had the senior citizens involved, we had the what I call
the old retired veterans involved. And they all
felt involved in the township.

So when you look at this in the
newspapers and you look at other activities we're
doing with the community development person, you're
seeing that not only are we an urban community,
we're also a community that we want to get that mom
and pop, that old traditional look inside of an
urban community. So when you see our parks, you see
our roadways, you see our gateways into our urban
centers. This is all important from the clean team
perspective, and also from the side of the community
specialist.

MS. MONTERO: Very good, thank you.
MR. BROWN: Thank you.
MS. KUBE: Thank you, Ron, very good.

Any other questions? Very good.

MR. BROWN: Does that mean a raise?

Does that mean a raise, boss?

MS. CHATMAN: No.

MR. BROWN: It doesn't look like one.

MS. KUBE: If there are no other
questions I will take a vote. Any in favor please
signify by saying aye. Any opposed? Any
abstentions?
(All in favor, no opposed)

MS. KUBE: Motion carries. Good job.

Next agenda item is $172,442 for UEZ walking patrol program, year nine, and this will be funding for February 14, 2007 to July 31, 2007. And Cassandra will make the presentation.

MS. CHATMAN: Good morning. My name is Cassandra Chatman, and I am the UEZ coordinator for Irvington. First let me apologize, our police supervisor for the walking patrol was going-- he may still come in, he's actually in training today with some of the walking patrol new recruits. So I do apologize about that. And hopefully, you know, he will have a chance he will come in.

But we are presenting this project again, and as you can see there's been some changes to the project. You know, we were asked in the Township of Irvington everybody is reducing, everybody is tightening their belt, and UEZ is no exception. So for us we had to look at, you know, our successes and look where, you know, our weaknesses were.

And with the walking patrol there were just successes across the board. Our crime rate is down 25 percent. And we are, you know, ecstatic, we
are really happy about that. People are walking
through downtown Irvington. And no matter what you
hear, our downtown area is probably the busiest. We
have the second busiest bus terminal in the State of
New Jersey. So people are coming to Irvington to
shop. They like seeing the police out there, they
like seeing the police walking around. Hopefully
they will be on bicycles real soon, because the
weather is breaking. So we are really excited about
this project.

You know, other than, you know, just
the basic police stuff, I mean, our police officers,
and I don't know about the other police officers,
but ours are really exceptional, they actually go
into the stores, they talk to the store owners. And
a couple of police officers actually called us back
and said, this person isn't a UEZ, you might want to
come down there. So we've done that, and we've
actually signed up, I think, two or three businesses
because of the walking patrol police officers that
are walking around.

MS. KUBE: Great, thank you,
Cassandra. Do we have a motion?

MS. PEARSON: So moved.

MS. KUBE: A motion by Ms. Pearson.
MS. RICHARDSON: Second.

MS. KUBE: Second my Ms. Richardson.

Any questions, comments, concerns? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries. Next item is $92,247 for UEZ marketing, business attraction and retention phase two, Cassandra.

MS. CHATMAN: Yes. If you remember, I know Kathy remembers, that I was originally hired under the first marketing project to do events. And I have to say that the first marketing project while good, we had some real, you know, great successes in terms of attracting people to Irvington. Where I think, you know, we fell short was keeping them there. We had concerts, a series of concerts, and we had over 8,000 people at the last set of concerts, 4,000 at the first set, unheard of in our town, unheard of. However, we need those people to come back. They came for the concerts, they spent money, but we need them to come back again and again. So how do you do that? Well, you do it by getting it right the next time, and hopefully, you know, we will.
We are looking to request $92,247 for our marketing and business attraction and retention program. Lakesha Bonderon, who already works at the UEZ, we decided she is an exceptional person, and she is here, so you will get a chance to meet her, but she is an exceptional person, she has the most unbelievable customer service skills. And we felt, how better to go out there and tell our UEZ story than to have her do it? And her job will entail not just the hard numbers, but getting belly to belly with people and telling them Irvington is the place to be. We are centrally located, we are a diamond in the rough, and we have a lot of retail space, we have a lot of industrial space. So her job will be to go out there and tell the businesses, hey, we're open for business. And that's pretty much what this program will do. So again, the first marketing project we got the people there, this time we're going to keep them.

MS. KUBE: Great. Thank you, Cassandra. May we have a motion, please?

MS. PEARSON: So moved.

MS. KUBE: Motion by Ms. Pearson.

Second?
MR. HURD: Second.

MS. KUBE: Second by Mr. Hurd. Any questions?

MS. RICHARDSON: I'm sorry.

MS. KUBE: Ms. Richardson.

MS. RICHARDSON: I'm looking at the detailed project cost, and I'm looking at the 4,000 and change for conferences, training, workshop, conventions, is that pretty much it for the year, or are there going to be additional expenditures, or is this it?

MS. CHATMAN: We are going to ask the Township also, because there are conferences that Lakesha might not be able to go to, there are a couple conferences that the International Council of Shopping Centers that the mayor actually goes to, so the Township will pick up those costs that are involved with that, and sometimes even for myself. So UEZ, this is only what the UEZ will be responsible for.

MS. RICHARDSON: For the year?

MS. CHATMAN: For the year, yes.

MS. RICHARDSON: And the amount of disclosure here, this is it, this is the conference you are going to, there isn't another one unless
it's being picked up by the Township?

MS. CHATMAN: Right, whatever you see here, this is what we're anticipating, yes.

MS. MONTERO: I have another question.

MS. KUBE: Yes.

MS. MONTERO: For the business community service aide, for that particular position.

MS. CHATMAN: Uh-huh.

MS. MONTERO: What are the performance outcomes for that position?

MS. CHATMAN: Well, hopefully one of the things that we are hoping, and actually the mayor is expecting, is that the retail space that we have now available, and it's significant, that at least what he's thinking a third of that will be filled, and he's thinking that will be filled by our department. I don't think that's outrageous at all, I believe we can. We have a lot of interest in our town. I mean, you have a Township of 70,000 people with disposable income of 420 million dollars, it's not going to be very hard to do that.

And also too we're expecting to have some better brochures, better pieces to attract people. Because what we've lacked in the past is,
you know, people want something in their hands, they
want to see something. They want to also see some
of the hard numbers, and we just didn't do that, we
didn't do a good demographic study. So hopefully
that will be some of the things that she will
accomplish.

MS. MONTERO: So increasing the number
of businesses?

MS. CHATMAN: Increasing the number of
businesses that come to the Township.

MS. MONTERO: By a third?

MS. CHATMAN: The mayor's hoping that
in the Springfield Avenue section, that's what I
should have said, by a third.

MS. MONTERO: In that particular
location?

MS. CHATMAN: Uh-huh. But that's our
first target area.

MS. MONTERO: Okay. What does a third
equate to, approximately how many businesses?

MS. CHATMAN: Probably about 20, 28,
29.

MS. MONTERO: Okay. Thank you.

MS. KUBE: Any other questions?

Hearing none, all in favor please signify by saying
aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations, Irvington.

MS. CHATMAN: Thank you. Have a good day.

MR. BROWN: Thank you very much.

MS. KUBE: Next agenda item is Jersey City's request for $344,393 for customer service skills center phase two. Roberta Farber is here.

And, Ms. Richardson, I believe you had wanted to recuse yourself for this?

MS. RICHARDSON: Yes.

MS. FARBER: If I could just deviate from the proposal for one minute?

MS. KUBE: Sure.

MS. FARBER: Just to let the Authority know, and the coordinators that have worked with Bob Hennger who was our CCTV director for many, many years, last Thursday, unfortunately, Mr. Hennger passed away. And for Jersey City it is a great loss, and I know for a lot of the communities that worked with him as well. He was a good friend to Jersey City, and to the UEZ program, and to all of the different police chiefs and captains that worked
with him.

MS. KUBE: Thank you.

MS. FARBER: Thank you. On another note, customer service skills center.

MS. KUBE: Yes.

MS. FARBER: We are here requesting $344,393 for Jersey City's customer service skills center. This is our third year funding, we have graduated over 128 students from this last year, and we have an 88 percent placement rate for the skills center trainees that have gone through the program. It has been hugely successful. We also have a Department of Labor grant in as we speak to help fund the program as well.

MS. KUBE: Thank you, Roberta. Can we have a motion, please?

MS. PEARSON: So moved.

MS. KUBE: Motion by Ms. Pearson.

Second?

MS. KOLLURI: Second.


MR. ABELAR: Why is this not approved by the City Council?

MS. FARBER: It is.
MS. KUBE: It is.

MS. FARBER: It couldn't be before the Authority if it had not been approved by the City Council.

MS. KUBE: But we got the resolution after. This has been approved, I do have a City Council resolution for this.

MS. MONTERO: You noted that the program has been a success.

MS. FARBER: Yes.

MS. MONTERO: Can you just highlight three accomplishments that you would say are your major accomplishments?

MS. FARBER: The fact that we have trained over 128 employees, they are all making above minimum wage, the average salary per employee is over $12. And these are all persons that have gone through employment training, they have also been through all the different testing that is required by the State. We have eight different partners with this program, the Work Force Investment Board of Jersey City Employment and Training, the Hudson County Economic Development Corporation. Who am I missing? The community college is also a partner in the program. And it
has been a hugely successful collaborative
opportunity. Also at this juncture Passaic County
Community College is in negotiations with Hudson
County Community College to send students and
trainees from their program to Jersey City's program
for training so that another center does not have to
be created in Passaic County.

MS. MONTERO: And you mentioned you had
a grant request with the Department of Labor
presently?

MS. FARBER: Correct. That's through
the Episcopal Development Community Organization who
is the parent organization for the program with the
community college, it's all collaborated.

MS. MONTERO: A consortium request?

MS. FARBER: Yes.

MS. MONTERO: And there aren't any
duplications to what you're requesting here as to
what you're requesting with the grant?

MS. FARBER: No.

MS. KUBE: Mr. Abelar, yes, we just did
not include it in here. When we put the February
agenda together it was contingent upon receipt of
the resolution, and because the meeting was canceled
we did get the resolution, but I failed to include
it in here. But there is a resolution.

MR. ABELAR: Thank you.

MS. KUBE: Okay. Any other questions, comments or concerns? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions? Motion carries.

MS. FARBER: Thank you.

MS. RICHARDSON: I recuse, one recusal from Ms. Richardson, sorry.

MS. KUBE: Next agenda item we will take separately, Lakewood's two requests, the first one is for $396,000 for acquisition of 228 Main Street.

MR. CORBY: Madam Director, if I may defer to the next item on the agenda, the marketing and public relations.

MS. KUBE: Okay.

MR. CORBY: Mr. Doyle is going to give that presentation.

MS. KUBE: Okay.

MR. CORBY: And this will be Mr. Doyle's last presentation before the members of the Authority, he is leaving the Lakewood office and going onto bigger and better things with the school construction.
MR. ABELAR: Who is leaving, you or he?

MR. DOYLE: I am.

MS. LENOX: No wonder he looks happy.

MR. CORBY: On behalf of the coordinator in Lakewood, as you know Doug has been an integral part of making our office a success and making the program a success. And in Lakewood, as I said, we're going to miss him, but he is going onto bigger and better things, and that's good for himself professionally and for his family. And now we will see if he's still in top form and can convince the members of the Authority that this is a great project.

MS. KUBE: Okay.

MR. CORBY: Mr. Doyle.

MR. DOYLE: First of all let me say thank you for your kind words. And also, Ms. Kube, I couldn't have done it without you and all of your staff. I thank you for all your help for all the years.

MS. KUBE: I am very proud of you. You have to move on up. Congratulations.

MR. DOYLE: Thank you.

MS. KUBE: So you are going to present
MR. DOYLE: I am. This is marketing and public relations phase five, we are requesting $172,828 for UEZ related portion of a total $302,828 project for marketing and public relations. The line items contained within are consistent with past project proposal submissions and approvals. It will include continuation of our tri-annual newsletter, which is mailed to all of the businesses and residences of Lakewood Township. It will include another year of our baseball ticket promotion, which is where we purchase tickets to the Blue Claws games and make them available to the UEZ certified businesses for their clients, vendors, etcetera, so forth.

In addition, the billboard advertising at the stadium almost half a million people go to the stadium during the baseball season. We have in the past and wish to continue placing advertisement there showing the benefits of the UEZ due to the regional nature of that facility and the crowd that comes in there. Also included would be web site related items for the UEZ promoting our businesses, promoting our programs, etcetera and so forth. It's a component for a public relations firm which is
being paid for by another entity.

A new item here would be promoting the historic Strand Theater. As everybody is aware, we own that theater, and the purpose of these is to promote the historic nature of that theater in media, press media, and a schedule was attached for that for what we were intending on doing.

MS. KUBE: Okay, great. May we have a motion, please.

MR. ABELAR: So moved.

MS. KUBE: Motion by Mr. Abelar.

Second?

MR. HURD: Second.

MS. KUBE: Second by Mr. Hurd. Are there any questions, comments or concerns from any of the Board members?

MS. MONTERO: Just a quick question.

MS. KUBE: Sure.

MS. MONTERO: On the attendance, the attachment five, your attendance by season.

MR. DOYLE: Yes.

MS. MONTERO: It appears to be declining. To what extent is this proposal going to help with that, help avoid that?

MR. DOYLE: We have no control over the
attendance at the stadium. Last year the Lakewood Blue Claws, the team that plays, actually was the champion of the South Atlantic League for the first time in five years, and they have only been around for five years. A lot of the attendance figures that you see usually there are 70 home games per season, but due to rain outs, etcetera, bad weather, games get canceled, which is why the statistics go up and down. But it averages about 450 some odd thousand a year. And that does not include any other special events they have, this is just baseball game related statistics as provided by the Blue Claws each year.

MS. MONTERO: So you have no control over that?
MR. DOYLE: We have no control over the weather.
MS. MONTERO: No, over increasing the attendance?
MR. CORBY: Or whether they win or lose.
MR. DOYLE: That's not in our control. We're trying to take advantage of the fan base that they attract in promoting our businesses in town.
MS. KUBE: Okay. Any other questions?
MR. ABELAR: I have a comment.

MS. MONTERO: No. Thank you.

MS. KUBE: Mr. Abelar.

MR. ABELAR: I didn't know this Strand Theater was owned by the Urban Enterprise Authority or your equivalent in Lakewood, I didn't know. The members of the Authority may be proud to see this trend.

MS. KUBE: It's been a long time project.

MR. ABELAR: I didn't know, but very good. I am very glad that you added all of the contributions to this project also aside.

MR. DOYLE: Well that's our intent, it's an overall project for the township, and we just broke those out that relate to the UEZ specifically.

MS. KUBE: Any other questions?

MS. RICHARDSON: Kathy, transactions like this are a part of the administrative budgets and being reviewed right now by staff?

MS. KUBE: They can. For the longest time marketing was only allowed under the administrative budgets, and then when the legislation was amended in the 90's it allowed for
marketing. So zones they can either put it under
their administrative budget or they can submit it as
a separate project.

MS. RICHARDSON: Either or?
MS. KUBE: Yes.

MS. RICHARDSON: So in looking at this
proposal for the year you don't anticipate using
zone funds for any conferences or things of that
nature?

MR. DOYLE: No, this is strictly
marketing the zone and marketing the business in the
zone.

MS. RICHARDSON: Would conferences be
in another category?

MS. KUBE: In our admin budgets.
MR. CORBY: We can do that.
MS. KUBE: You will see a line item for
conferences.

MR. DOYLE: And this is separate from
that.

MS. KUBE: And this will be for
conferences for other reasons, what you are
reviewing before you today is your marketing
proposal for Lakewood Township.

MS. RICHARDSON: So items like
conferences could be in this, or it could be in the administrative budget?

MS. KUBE: I would say if it's a project you are going to find it right here, for the project if it relates to the marketing you are going to see it here.

MR. CORBY: If I may interject, Madam Director.

MS. KUBE: Yes.

MR. CORBY: Conferences such as encouraging new members, the UEZ, we in Lakewood, pardon me, usually handle that in our administrative side. And we do that a couple times a year, try to go out and get new member businesses. But we treat it as an administrative matter in-house, if you will.

MS. KUBE: Any other questions?

Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations and good luck to you, Doug.

MR. DOYLE: Thank you.

MS. KUBE: The next item is Lakewood's request for $172,828 for marketing and public
relations and it's phase five. Mr. Corby.

MR. DOYLE: We just did that one, the
other one.

MS. KUBE: Sorry, 396,000 for 228 Main
Street, I apologize.

MR. CORBY: Indeed, thank you. Madam
Chair, members, I have a PowerPoint presentation
this morning. We in Lakewood are trying to get high
tech, and they sent this old guy up here to try it.
So I hope you will be patient with me, if you
would. There is also a handout to go along with
this.

But this is a piece of property
currently owned by the Housing Mortgage Finance
Agency, it is located in the heart of our downtown
area. This is a little distant shot, but that's the
project site.

MS. KUBE: Where is the site?

MR. CORBY: I will have it up again.

This is a request for 396,000 to purchase one piece
of property, it is currently vacant. Also included
in this project is the cost, soft cost for preparing
an RFP for the Franklin Street redevelopment area.
And I will show you that in a moment. It includes
the cost of various professionals in order to
effectuate the entire project and where we are going with this.

Here again, this is downtown Lakewood, the property is located on the southern end of the Lakewood downtown. The street it is on is really Main Street in Lakewood, it's Route 88, State Highway Route 88. Obviously it's in the UEZ itself, and part of the redevelopment area. Here is a picture of the site itself that you can see it's vacant at the current time underutilized. The sidewalk you see in front sits on Main Street, it will be a commercially viable area. Here again you'll see the top is Main Street, Clifton Avenue runs to the east.

Currently the arrow points to this particular piece of property. But the other items that are colorized are either township owned or owned by the LDC itself. So we're trying to assemble the properties. The parcel would be the fifth acquisition in this Franklin Street redevelopment area. There are a total of 15 parcels, the Township wishes to prepare the RFP to develop the Franklin Street area. Future plans are mixed used development and potential transit rail station, because there is planned to be much future
activity in establishing commuter lines now from Lakehurst or Toms River through Lakewood and up to the main line. So we are trying to fashion, if you will, a redevelopment plan which will include those uses for the future.

This is the corner of Main Street and Clifton Avenue, it just shows you the type of businesses there now, it's an old restaurant. Here are some of the other types of businesses that are included in that area. And just there's a great deal of open area, open space there.

These are the other township owned parcels, if you might look, and it includes a long standing UEZ project back from 2000, which we intend to close on next. There was some environmental problems, but we're dealing with those separately through an EPA Brownfield grant. So hopefully this year we will be able to purchase that other piece and move onto some of the other pieces.

That's the facts. I would ask you to look at this one parcel in the light of the entire Franklin Street redevelopment project. Thank you.

MS. KUBE: Thank you, Mr. Corby. May we have a motion, please.

MR. ABELAR: So moved.
MS. KUBE: Motion by Mr. Abelar.

Second?

MS. PEARSON: Second.

MS. KUBE: Second by Ms. Pearson. Any questions, concerns?

MS. KOLLURI: I have questions.

MS. KUBE: Ms. Kolluri.

MS. KOLLURI: The appraisal, did you do an appraisal for this property?

MR. CORBY: That is part of the project, I believe, and it's required.

MR. ABELAR: Yes.

MR. CORBY: And it's required by the Housing Finance Agency. They will do one, we will do one.

MS. KOLLURI: Okay, so the funding that you're requesting today, how does that fit in with the overall? I mean, are you assuming, is the assumption made that that's what the cost of the property is, the 396?

MR. CORBY: Yeah, 396 less some soft costs that are in there. But we've kind of come to the agreement that the appraised assessed value is about 350,000.

MS. KOLLURI: Okay.
MR. CORBY: If the appraisals themselves come in with something different I think there's already an agreement between 29 agencies, you know, that I will come back and ask for whatever the difference is. But we're pretty sure market value--

MS. KOLLURI: Right.

MR. CORBY:--that we're in the ball park.

MS. KOLLURI: What is your timing for the RFP going out to the master developer?

MR. CORBY: Upon approval, this I am going to direct our planner and engineer to prepare that. I would hope to have that prepared by early May. We're ready to move.

MS. KOLLURI: Okay.

MS. KUBE: Ms. Kolluri, generally we do have the appraisal, a copy of the summary sheet with the project, and 99.9 percent of the time it's in there.

MS. KOLLURI: Yeah, I was looking for it, but it's not in this one.

MS. KUBE: Any other questions?

Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?
(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations.

MR. CORBY: Thank you.

MS. KUBE: Congratulations, Doug.

MR. CORBY: Thank you, Madam Director.

Thank you all.

MS. KUBE: Next item is Mount Holly's request for $310,000 for the Good Neighbor Loan Program, year four. Kevin Mizikar is here today. Good morning, Kevin.

MR. MIZIKAR: Good morning. This is a project request for $310,000, it's a recapitalization of our existing Good Neighbor Loan Program, this is our fourth request for zone assistance funding for this project. Since 1998 we've utilized $500,000 in zoning assistance funds in loans through our Good Neighbor Loan Program, and it's generated about nearly $525,000 for our second generation account. We are the lender, and our loans are-- I guess I should say the Mount Holly Township Zoned Development Corporation is the lender, there are no private banking institutions involved. Loans are awarded up to $25,000, minimum of $2,000.
We do utilize the services of the Regional Business Assistance Corporation to serve as the loans who provide us with credit reports prior to award of the loan. We have a loan committee which is composed of our executive board members and myself as the executive director. And that body makes a recommendation to the full Urban Enterprise Zone Board for Mount Holly Township for the award and approval of a loan.

We have three different lengths of pay back, and different interest rates that accompany them, a 35 month loan at 2 and a half percent interest, a 59 month loan at 5 percent, and 84 month loan at 7 and a half percent interest. All loans require personal guaranties and promissory notes, and the loans cannot be used for working capital or to refinance existing business debt.

MS. KUBE: Thank you, Kevin. May we have a motion, please.

MR. HURD: So moved.

MS. KUBE: Motion by Mr. Hurd.

Second?

MS. RICHARDSON: Second.

MS. KUBE: Second by Ms. Richardson.

Any questions, comments or concerns? Mr. Abelar.
MR. ABELAR: Yeah, one thing you forgot to mention, which is very good, which is each borrower needs to sign a personal note, I think—

MR. MIZIKAR: That's correct.

MR. ABELAR:— that is the case, correct?

MR. MIZIKAR: Yes, it is.

MR. ABELAR: They sign a personal note for the amount of the loan.

MR. MIZIKAR: That's right.

MR. ABELAR: Which is very good. Now one thing is the amount of the rate is quite low in comparison to the private sector. The rates today are the discount rate, which is the overnight rate.

MR. MIZIKAR: Right.

MR. ABELAR: Between banking institutions is 6.25, and we are charging here 2 percent. I think it should be higher. The level of loans is good and the personal note is very good, but in the future I think these rates have to come up just to equate the private sector, or at least come close to the private sector.

MR. MIZIKAR: We're trying to beat the private sector is our goal.

MS. PEARSON: Yeah. Mr. Abelar, the
idea is to bring businesses in, and this is what
it's all about, you know what I mean?

MR. ABELAR: I understand the purpose,
there is supply of capital in existence, the
government doesn't need to go in with our money when
there is sufficient capital provided by the private
sector, that's why interest rates are low. But I
understand it's provided by law that loans can be
made. But there is another responsibility of this
Authority, which is not to give away public monies
either on that balance, I'm trying to strike a
balance.

MS. KUBE: I know, but we disagree with
that, because grants and loans are a part, they're
allowable under the statute. Okay, any other
concerns or questions?

MS. RICHARDSON: On the underwriting
policies, the lending procedures and practices, are
they documented, and is that something that is
reviewed by UEZ staff?

MS. KUBE: No.

MR. MIZIKAR: We do have-- well, we
haven't documented it at our level approved by the
township solicitor, they are available, you know, if
the Authority would like to see them, as far as what
our promissory notes and personal guaranties are and
the other terms and conditions of the loan.

MS. RICHARDSON: So the program is
documented?

MR. MIZIKAR: Absolutely.

MS. RICHARDSON: And it's available
within the zone. In terms of your loans being below
market, what is the target market that you are
looking for?

MR. MIZIKAR: We're looking to use it
as a financial incentive to assist businesses
whenever they need assistance in expanding. We
require the business to show how they are going to
directly be able to increase employment, or increase
customers, or increase pedestrian flow within the
community by receiving these funds. So it's tied
to, you know, the overall betterment of the
community. You know, it won the award prior to the
award being made.

MS. RICHARDSON: Are these businesses
that are otherwise bankable?

MR. MIZIKAR: As far as receiving the
funding?

MS. RICHARDSON: Are these businesses
that would have the ability to go to other banks and
secure financing?

MR. MIZIKAR: Sometimes they would be able to, and sometimes they wouldn't, it really depends on the business. We asked the businesses in the application whether or not they have requested funding from a private institution within the last 12 months and/or if they have been denied lending from the private institution. So it really depends on the applicant.

MS. RICHARDSON: Okay, thank you.

MS. KUBE: Any other comments? One thing I want to note that as of the beginning of the year with projects coming forward we are doing tax clearances on businesses who want to take advantage of grants and loans. So, Kevin, for instance, when he does have a company who wants to take advantage of that he will send in information, and we get it cleared through taxation. If for any reason the business has some outstanding tax issues with the Division of Taxation or the State of New Jersey, the project will be put on hold until we can get everything in order.

MS. RICHARDSON: One follow-up question.

MS. KUBE: Sure.
MS. RICHARDSON: You actually triggered another question. So there's the up-front assessment, or there's an up-front determination that the business is in compliance with the taxes?

MS. KUBE: Yes.

MS. RICHARDSON: After you grant a loan are you also making sure that the borrower continues to pay taxes, there are no issues, and what happens if they fall behind?

MS. KUBE: One thing the statute-- I mean, I will let Kevin address that, but one thing the statute the amendment to the statute now says that we have to do this on an annual basis.

MS. RICHARDSON: Okay.

MS. KUBE: Okay. So in order for a business to certify or recertify in the program it needs to be done under the new legislation.

MS. RICHARDSON: So do the loan documents anticipate this, and what is the consequence?

MR. MIZIKAR: At such a time a business would fall from the UEZ program their loan immediately becomes due in full.

MS. RICHARDSON: So that's in the loan document?
MR. MIZIKAR: Yes.

MS. RICHARDSON: Great.

MS. KUBE: Any other questions?

MS. MONTERO: One last question.

MS. KUBE: Ms. Montero.

MS. MONTERO: You mentioned that one of the things you look for is increase in employment, or I'm assuming retention of employment too if that's an issue?

MR. MIZIKAR: Yes.

MS. MONTERO: I just briefly looked through the recipients and what the loans are being used for. For the most part a majority of them are used for equipment.

MR. MIZIKAR: Uh-huh.

MS. MONTERO: To what extent does that help increase employment and/or retain employees?

MR. MIZIKAR: Well one concrete example of that that I can give is a company by the name of Sealatoll(sp) Wholesale Seafood, they have utilized our loan program to purchase additional refrigerated box trucks which they deliver their wholesale seafood for. Every time they purchase an additional truck that's two additional hires that they can make for their two shifts of operation. So we feel it's
a worthwhile investment for us to make in their
to make it back into the
community. Given that, you know, they have to meet
certain ratio of employees to stay in the program,
which are hired from within the township or meet the
other conditions of the program.

MS. MONTERO: Thank you.

MS. KUBE: Any other comments,
questions or concerns? Hearing none please signify
by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations.

MR. MIZIKAR: Thank you.

MS. KUBE: Okay, the next items are

Paterson, and we will take them separately. The

first agenda item is $875,110 for video surveillance

project phase one. Hi, Jan.

MS. NORTHRUP: Hi. Good morning
everyone. I have with me this morning Sergeant
Perales who is our technical person on this project,
and Captain Rodriguez who is also available for any
questions, should you have any regarding this

project.

Paterson is here today to request zone
assistance funds in the amount of $875,110 for
approximately what we think we could buy with them
is 30 video cameras, the software and everything
else that we need to get Paterson on board with some
sort of a video surveillance project.

We have a pilot project in place right
now. We did not pay for this pilot project, but we
did use it as a stepping stone, and also we gained a
lot from this in terms of learning what type of a
system would be best for Paterson. We believe at
this point that a wireless system would be best for
us. And on a second phase probably, if this is
approved and we can go to a second phase, we may end
up doing some sort of a hybrid system and then do a
wired system as well. I think that's what Jersey
City did.

I had the opportunity to meet with Bob
Hennger, and it was sad to hear that news of his
passing. He was a good friend to Paterson, and he
invited us up there many, many times to view that
system. And we went with our police personnel, and
we just enjoyed everything they had up there, and we
would like to try to fashion our system somewhat
after their's.

This in kind money from the police
department will be used by the city to offset their portion, I think they far surpass the 20 percent that is being asked of the police department, in this particular case. The amounts of their salary, I think it's 500 and something thousand, I'm trying to find it here. How much is it? $575,426.

There will be around-the-clock monitoring of these cameras in real time. There are already four of them, even though we didn't pay for them, four of them are already in the Urban Enterprise Zone, and the gangs have dispersed. And they're moveable cameras, so they're moving them around in various areas. The crime statistics are also available in this package. But if you look at them, you will notice the majority of the crimes occur in that 30 percent, which is designated as an Urban Enterprise Zone. We desperately need this.

We recently lost a police officer, and had we had cameras there at the time we probably would have caught the person much sooner. So we're here today to ask for that money so we can get on board and get moving with this project.

MS. KUBE: Thank you, Jan. May we have a motion, please.

MR. HURD: So moved.
MS. KUBE: Motion by Mr. Hurd.

MS. RICHARDSON: Second.

MS. KUBE: Second by Ms. Richardson.

Any questions?

MR. HURD: I have one quick question.

You say the cameras are movable, now where do you plan on setting them up, and how would they be movable?

MS. NORTHRUP: The power project is movable, the other cameras that we purchase from the Urban Enterprise Zone solely most of them will not be movable. If you have a handout, I have maps of where those 30 cameras are going to go. Would you like to see that?

MR. HURD: Yeah.

MS. NORTHRUP: Okay, please pass them out then.

MR. ABELAR: But they are wireless, right?

MS. NORTHRUP: They are wireless. But we can move them, but we would prefer to keep them in certain points. Unless we notice that all of the sudden the crime rate is down so low and the gangs have totally disbursed from that area, then we would move them. But other than that, we would like to
try to keep them where they are. We have a decent line of sight, and we should be able to get clear pictures from this. And all of these videos will be archived for prosecution reasons, obviously.

MR. ABELAR: I have a question to the Sergeant. The question always arises, will the cameras lower the need for police officers?

SERGEANT PERALES: That will never happen. A camera can't replace a police officer on the street. The camera can direct that police officer on the scene before that guy behind the camera can get out and get him himself.

Right now we currently have 12 of these things, and we've had over a hundred arrests with them. And this is just the pilot program, and we move them as we see fit. But the UEZ cameras will not be moved. We have already determined that we need those as relay stations to get back to the stations. But the ones in the peripheral, we will move those around as we see fit. Right now we have three cameras we are getting ready to move because everything around them died, that's how effective they are, they used to be high-crime areas.

MR. ABELAR: Is there a hard problem to move them?
SERGEANT PERALES: They are not hard to move at all, no, sir.

MS. KUBE: Any other questions?

MS. MONTERO: Yes, I have one.

MS. KUBE: Ms. Montero.

MS. MONTERO: I have a letter from the chief of the police that you have--

MS. NORTHRUP: Yes.

MS. MONTERO:-- attached here. This indicates they are going to be placed on traffic control devices and telephone poles.

SERGEANT PERALES: Yes, that's correct.

MS. MONTERO: So you are not just monitoring traffic, right?

SERGEANT PERALES: No.

MS. NORTHRUP: No.

SERGEANT PERALES: Our cameras have nothing to do with traffic, we don't have plate checkers, we don't have red light beaters, that's not our purpose.

MS. MONTERO: Another question, just for clarification, these monies, are they going to pay for the salaries of these police officers?

MS. NORTHRUP: No, no, not at all.

MS. MONTERO: All right. If these
police officers were not monitoring these cameras,
and I see here you have specifically which ones they
are, what their salaries are, it's broken down, what
would they be doing on that shift?

SERGEANT PERALES: The police officers
would be out doing regular patrol functions, they
would be doing regular patrol functions.

OFFICER RODRIGUEZ: But that police
officer in that camera room could do so much more.

MS. MONTERO: Explain.

OFFICER RODRIGUEZ: Basically he's able
to monitor six, seven blocks all at one time,
whereas a police officer on the street would have to
walk or drive. He could continuously monitor that
UEZ section on a 24/7 basis.

MS. MONTERO: Is a police officer
monitoring the video surveillance going to result in
less officers in a particular zone?

OFFICER RODRIGUEZ: No, it doesn't, it
supplements. The police officer monitoring those
cameras is in direct contact constantly with all of
the officers on the street. A lot of times you have
the officer on the street-- I'm sorry, in the camera
room will see something and direct the police
officers immediately. There is no lag, there's no
call time, it's just clicking a police radio, you're
talking instantaneous.

SERGEANT PERALES: Perfect example of
it is this week alone our daytime radio guy
recovered five stolen cars just by looking around,
seeing a car with a broken window, runs the plate,
boom, it's a hit. Another car is wanted, they give
it over the air, he sees it driving right past his
camera. A patrol guy would have never seen it.
MS. MONTERO: And it's going to be one
officer?
SERGEANT PERALES: There's two per
shift, three shifts.
MS. MONTERO: Two per shift?
MS. NORTHRUP: We believe that one
officer after looking, it's tough to have one person
monitoring it, you could be mesmerized and lose
things. That's not what the intention is here, we
recognize that. And we learned that, actually, from
Jersey City and visiting their installation. So we
don't plan on doing it that way, we want to do it
the way they did it.
MS. MONTERO: They will always be
monitored by officers, not radio room people?
MS. NORTHRUP: No, by officers.
MR. ABELAR: Do you have night vision too?

OFFICER RODRIGUEZ: Yes. It's not as clear as the day vision.

MS. KUBE: Any questions? All in favor signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations. The next item is $275,000 for zone amenities, trash receptacles. Now you will see a revised proposal before you, Jan worked to purchase trash receptacles at a lesser price than what was originally proposed, so you have this project before you today with the revised agenda. Jan, go ahead.

MS. NORTHRUP: Yes. We're here today to ask for $275,000 for trash receptacles. We originally had this at a higher price. However, I will state at that time we chose a state contractor, so we didn't feel that we had to go any further with the seeking out of a lower price, because we felt that a state contractor would have had the lower price. This has already been done, so we didn't want to reinvent the wheel. But after we were questioned we decided, let's look further.
I went out and I spent several days trying to get additional quotes. I was successful in finding something that's similar to what we were going to get, not quite what we were going to get. This particular trash receptacle is 40 pounds lighter, which concerns me. However, it does have a longer warranty, so that was better. So we're hoping that it offsets, okay, all of the other issues. The trash can looks very similar, as I think we just passed it out, to the one that we originally were going to purchase.

And we desperately need, it may sound like a lot, 675 trash receptacles. However, Paterson is eight and a half square miles, I think you can see from the maps that we passed out. I also have other maps that are probably clearer for you, and maybe we should pass these out. We are spread out in the Urban Enterprise Zone, it goes from one end of town to the other end of town. We have 33,000 school children, most of them attend school in the Urban Enterprise Zone. There is a lot of trash, okay, just going through this town that we need to collect, and we need these trash cans. And my businesses, quite honestly, are the ones that are calling and crying for them. They desperately,
desperately need them, they are long overdue. We will pass these out, because this is a map of the Urban Enterprise Zone. You can see all of the shaded areas and how large we are and why we need so many trash cans.

MS. KUBE: Okay. Can we have a motion, please.

MR. ABELAR: So moved.

MS. KUBE: Motion by Mr. Abelar.

MR. HURD: Second.

MS. KUBE: Second by Mr. Hurd. Any questions?

MR. ABELAR: Congratulations for the due diligence.

MS. NORTHRUP: Thank you. I am glad I was able to do it.

MS. KUBE: Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries. Next item is 325,000 for St. Joseph's Hospital Center Pocket Park.

MS. NORTHRUP: Sorry, poor Penny is jumping up and down like a jumping bean. Okay, I am
going to wing it because I can't find the project.

MS. LENOX: Do you want mine?

MS. NORTHUP: I think with all of the other paperwork we left it. We are partnering on this project with St. Joseph's Hospital. St. Joseph's Hospital is the largest employer in the City of Paterson, they are also an Urban Enterprise Zone member, they employ 2,200 people. They have great plans for this learning and teaching hospital, this is just the beginning stages of what they plan on doing.

When they told us they wanted to do what they call a pocket park, or a triangular park in front of their facility, we wanted to be partnered with them on this. Because it is on our main street, it is in the shopping district, we wanted to have some sort of signage there that indicated that the Urban Enterprise Zone was involved.

There are some stores along there, there is a restaurant, there is a florist, and we felt that we would get a lot of commerce coming in, because there is a business district on both sides of this park. And it will give people a place to sit and relax in between maybe the visitations at
the hospital and also the shopping area.

Saint Joseph's also is going to build
a hotel, they have plans to build a hotel right near
the facility and do some other things in that
general area. It's a whole re development area for
them, and this is just a jump start. And we would
love to be on board with this, especially because we
will be beginning a street scape project. I think
we're out to bid on that, and we should begin in the
summer. So this would just tie in nicely, because
it's right on our main street.

MS. KUBE: Thank you, Jan. May I have
a motion, please?

MR. ABELAR: So moved.

MS. KUBE: Motion by Mr. Abelar.

Second?

MS. RICHARDSON: Second.

MS. KUBE: Second by Ms. Richardson.

Any questions, comments or concerns from the Board
members?

MS. MONTERO: How large is the park?

MS. NORTHROP: It's probably a block
long, a large long block, and it's kind of an odd
shape piece of property, it's a triangle, so we call
it a pocket park. So it's not a huge park that you
would consider some of these larger parks in the middle of some locations. But it's a very small park. They plan on putting little chess tables there, having people sit down, congregate there, you know, shop, eat lunch there and things like that. So it would be nice, nice little area.

MS. MONTERO: Thank you.

MS. KUBE: Any other questions?

MS. KOLLURI: The jobs that are created, are those construction jobs?

MS. NORTHRUP: There will be construction jobs created, and we anticipate jobs will be created within the restaurant. We expect them to enlarge and grow, because they are going to have an influx of people coming to this park, because it is all part of the main street streetscape. So we expect that to grow as well, so jobs will grow along there as well all along that street.

MS. KOLLURI: Thank you.

MS. KUBE: Any other questions?

Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries. Last item is
the contract amendment extension request.

MS. NORTHRUP: Yes.

MS. KUBE: And it's for the revolving loan program phase one.

MS. NORTHRUP: Yes.

MS. KUBE: This is the 11th extension request.

MS. NORTHRUP: Yes.

MS. KUBE: And I have asked the coordinator to please make a presentation for this, because it is the 11th request.

MS. NORTHRUP: Right. I would say that in the last two years we really didn't lend any money on this program. Part of the reason I thought was because we were not competitive with the rates that the banks were offering. We do this particular revolving loan program for the UEZ goes out from three years to seven years, and based on how many years you take the loan that's the percentage that you get. So if you pay off your loan in three years it's three percent, four years four percent, and so forth, and it goes up to seven percent. I also felt that seven years wasn't enough to pay back some of the larger loans that, you know, that we secure, and some of them are 500,000, 600,000. I just felt that
that was a lot of money to pay back in a five or six
or seven-year term.

So we kind of kept sitting on this
money, and I kept asking the Paterson Restoration
Program, which oversees the Urban Enterprise Zone,
it's a 501 C corporation, I asked them to
restructure this. And while they were determining
which route to take, all of the sudden everyone
started jumping on board for this money.

Now what we're waiting for now is the
compliance. We're waiting two weeks already to find
out if they're in compliance, these businesses. And
if they are, if all of them are I won't have any
money left, I'll be back here asking for a phase	hree. Because we have a phase two of this, this is
phase one, then we have a phase two, but all that
money is already accounted for if they all clear
compliance. And we're still looking into
restructuring. It's just not an easy task.

MS. KUBE: And the tax compliance, it's
tax clearance through the Division of Taxation?

MS. NORTHRUP: That's right.

MS. KUBE: Okay.

MS. NORTHRUP: Yes.

MS. KUBE: May I have a motion?
MR. ABELAR: So moved.

MS. KUBE: Okay, motion by Mr. Abelar.

Second?

MS. PEARSON: Second.

MS. KUBE: Second by Ms. Pearson.

Questions?

MR. HURD: Are there any financial bank institutions that you're working with in regards to structuring this program to make it a little bit more active or successful?

MS. NORTHRUP: On the PRC board actually sits a member from Chase Bank, so we do work very closely with Chase Bank, Commercial Bank and Bank of America. We work very closely with all of those banks, because we are not the primary lender. We prefer the lending is split between the banking institution and the Urban Enterprise Zone. If they're looking for a million dollars, we are only going to give them 500, we want it to be split.

Our program, I have to say, has been pretty successful, we have only had one person default on a loan in all these years that we've been doing it. And we have an attorney. Actually that was a sad situation, that's a Home Depot site which
the man went bankrupt so he needed some money to try
to bail himself out, and now he is having a tough
time bailing himself out of this loan. But that's
the only one in all of the years that we have been
doing this. But we are working with them, to answer
your question, to structure this.

MS. RICHARDSON: Can I ask a follow-up
question sort of related to Mr. Hurd? So it sounds
like you have a pool of funds. Where the banks have
funds in a pool, the UEZ also has funds?

MS. NORTHRUP: They don't really have
money, the banks do not put money aside for the
Urban Enterprise Zone.

MS. RICHARDSON: It's the program.

MR. NORTHRUP: We have it, when I come
down here I ask for a large chunk of money, and then
we lend it out with an underwriter, you know, the
approval is only on the onset of the revolving
loan. In other words, this one was two million, I
believe, 2.2 million, or something. I'm getting
confused between the revolving loan one and the
revolving loan two. But I will come down and ask
for 1.5 million or two million. And then we lend it
out, and we have an underwriter and the Paterson
Restoration Cooperation and an attorney, they all
get involved, they do background checks and
everything else. But we do work with the banks, we
don't want to be the primary lender.

MS. RICHARDSON: So you take a second
position?

MS. NORTHRUP: Yes, we do.

MS. RICHARDSON: And you have written
underwriting guidelines, policies and procedures?

MS. NORTHRUP: Yes, absolutely, yes.

MS. KOLLURI: I didn't understand what
you said you did to restructure it to make it much
more attractive?

MS. NORTHRUP: No, we haven't
restructured it yet, just when we were about to
discuss how we wanted to restructure it all of the
sudden all these people came forward who wanted to
borrow money. And in fact, as I said, I have money
sitting in a revolving one phase one, revolving loan
two I don't even have enough. If they all clear
their tax issues then we would lend out that money
to them. And quite honestly, I'm a hundred thousand
dollars shy on what they want.

MS. KOLLURI: Is it working capital?

MS. NORTHRUP: They use it for
equipment, just like the previous program, for those
reasons as well.

MS. KOLLURI: Thanks.

MS. MONTERO: I'm not clear on what the initial amount was and what you have left.

MS. NORTHRUP: I don't have the-- oh, wait, I do have it.

MS. MONTERO: Over what period of time? Because you said this was the 11th request.

MS. NORTHRUP: Yes.

MS. KUBE: Initially approved in fiscal year '99.

MS. MONTERO: How much have you lent since the inception?

MS. NORTHRUP: I have to look at this, hold on one second. Let me try to find phase one.

MS. MONTERO: Maybe I should ask, how much did you lend during the original term?

MS. NORTHRUP: Revolving loan program was taken out in 1999 for phase one. We took it out for two million. Okay, we lent out just about a million that first year. At that time the contracts were only allowed to go from one year to the next year. You were not allowed to, I think, extend them initially, you can only go from one year to the next year.
So people are borrowing a lot of money, there's a process by which they have to be approved. That process could be very, very lengthy in Paterson. Because the Paterson Restoration Cooperation oversees the Urban Enterprise Zone, the underwriter checks out the people, when all of that is done we still have to get a resolution on these people. That's all done internally, and it has to go before the City Council meeting. This could be three or four months before we get off the ground. So it is a lengthy process.

Since then we have not, as I say, in the past two years we have not lent any money, we have not. In 2002 we lent 500,000. In 2003, 500,000. In 2004, 450,000. Okay. But when we got into the last two years we didn't. And I felt it was because we were not competitive with the banks.

MS. MONTERO: What changed from four to-- I don't understand how in two years you didn't lend anything out.

MS. NORTHRUP: I don't know.

MS. MONTERO: What changed?

MS. NORTHRUP: I think the banks, their percentages were lower, we were higher.

MS. PEARSON: So people weren't
applying.

MS. NORTHRUP: They just weren't applying.

applying.

MS. PEARSON: They weren't applying.

MS. MONTERO: Why do you think all of the sudden you have everyone applying now?

MR. HURD: The rates went up.

MS. PEARSON: The rates went up.

MS. NORTHRUP: The rates went up, we're now competitive. Because all of the sudden we have Princeton Laundry, who's a very large company--

MS. MONTERO: Basically you're saying it has nothing to do with how you've marketed the availability of the loans?

MS. NORTHRUP: No.

MS. MONTERO: And you have done it consistently throughout the entire term?

MS. NORTHRUP: Yes.

MS. MONTERO: Okay, thank you.

MS. NORTHRUP: You're welcome.

MS. KUBE: Any other questions?

MS. MONTERO: I don't know, it just sounds odd to me that in two years you didn't lend any amount.

MS. NORTHRUP: We probably have to
restructure it. But the next time we go out for a
revolving loan program for phase three we probably
will restructure it. But right now if these people
are in compliance, and I believe they are, one is a
huge company, Princeton Laundry, they have been
written up in the papers, they created a hundred
jobs in Paterson, these people all clear, I don't
see any reason why they won't, we're waiting for the
final approval from revenue. So basically I think
that all of this money we're talking about really is
a moot point, because it should all be taken at this
point, I am a hundred thousand shy of what we want.

MS. MONTERO: My concern is at what
point did we discover we weren't being competitive?

MS. NORTHRUP: About a year ago when I
sat for a complete year without getting a loan, I
started the discussions about a year ago. I had to
go to the Paterson Restoration Cooperation, they
were reluctant to change any of the percentages on
these loans, they were reluctant.

MS. MONTERO: But the extent to which
we can determine whether or not we're competitive is
based on how many people walk through the door?

MS. NORTHRUP: No, I think you have to
look at the banking structure.
MS. MONTERO: Right.

MS. NORTHRUP: Which is what I tried to get the Paterson Restoration Cooperation to try to do last year. And they were reluctant to do it, they said let's take a wait-and-see approach. I said, okay, I think we ought to be a little bit more competitive. But as it turned out in this past year all of the sudden all these people applied. These people applied probably at least six months ago.

MS. MONTERO: But we're still not ready for them?

MS. NORTHRUP: That's not my fault, I'm waiting for revenue.

MS. KUBE: Right.

MS. NORTHRUP: I'm waiting for revenue.

MS. KOLLURI: You're doing the right thing. Michelle and I were talking about this, that when businesses and individuals can go to banks and get money that's a good thing, you are suppose to be there for the unbankable, for those that cannot get it.

MS. NORTHRUP: That's right.

MS. KOLLURI: You have to adjust your structure and monitor the banking structure, I think that's good.
MS. MONTERO: I think it is. I'm saying it's odd to me why you wouldn't spend this money in a two-year period.

MS. KUBE: And she explained to you why.

MS. MONTERO: There was no one moving in the door.

MS. PEARSON: We will move on.

MS. KUBE: What are we doing now? We are taking a vote. Okay. Anybody have anymore questions? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations, Jan.

MS. NORTHRUP: Thank you everyone.

MS. KUBE: The next item is Phillipsburg's request for $85,850 for marketing program phase five. Mark Portnay is here.

MR. PORTNAY: Good morning.

MS. KUBE: Good morning, Mark.

MR. PORTNAY: As you can tell by the title of this project this is our fifth time back requesting funding for our marketing program. We
have a dual purpose in our marketing program. One
is to attract tourists to our downtown and river
front area, because we believe that that is the
future of the rebirth of our downtown. And the
second is business recruitment. And in that regard
we are seeking businesses that are unique, retailing
establishments and service businesses that are not
in competition with businesses on highways, such as
Walmarts and other big stores.

It's very important that we undertake
these programs, marketing, you know, gratified that
when marketing became a project, an eligible project
to be funded, the businesses that I'm describing to
you, these unique retailing businesses are vastly
undercapitalized for the most part, and find it very
difficult to have in their budgets significant
funding for marketing, although they need to market
them, their products. So the UEZ's input into this
is important.

We try to attract tourists from out of
town, and we have done very well with that. We have
partnered with other non-profits in creating tourist
attractions in our downtown, which this Authority
has funded in the past. We recently last December
had our third Polar Express train ride, and because
we got on the Warner Brothers web site we were attracting people from up and down the East Coast to our town. It's kind of unheard of for us. And it was, you know, very successful.

We've also instituted some other projects that are under the marking budget here. One is that we've decided that we need to have like in the olden days a one evening shopping a week in Phillipsburg, so the merchants stay open one night a week. We do that in conjunction with an antique car show on the street that night. And there are many people who can't come to our downtown during the day, they work, and so this affords them that opportunity. And it's been working out very well.

One of the other things that we did that we're incorporating under this marketing budget was a business recruitment seminar that we recently held under a separate project funded by this Authority, but now we're incorporating it under this marketing budget. And, you know, all of the statistics aren't in from that yet, where we just did it in February, February 12th in fact. But we've got tremendous reception, we have really quality businesses that are looking to negotiating with us, taking advantage of UEZ incentives to fill
up some of our vacancies in our downtown. So we're very excited about this.

The bulk of the money goes for media, media buys, radio and print as well, as well as for other amenities and other public events. I think it's an important project, and I'm gratified this has become an eligible funding vehicle under the authority.

MS. KUBE: Thank you, Mark. May I have a motion, please?

MS. RICHARDSON: So moved.

MS. KUBE: Motion by Ms. Richardson.

MS. PEARSON: Second.

MS. KUBE: Second by Ms. Pearson. Any questions, comments or concerns? Hearing none, all in favor please signify by saying aye. Any opposed?

Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

MR. PORTNAY: Thank you.

MS. KUBE: Congratulations, Mark. Next items we will take separately, Roselle's two requests. First one for $205,000 for facade improvement grant program, and we have a new UEZ coordinator with us from Roselle Mr. Harry Wyatt.
MR. WYATT: Good morning. It still is morning I take it, right?

MS. KUBE: Is it morning?

MR. WYATT: Close enough. My name is Harry Wyatt, I am the new acting coordinator in Roselle. Today Roselle is making a request for $205,000 for the facade improvement grant program. This actually goes hand-in-hand with the next one, but we will begin with the facade.

The facade program is an opportunity to create a little bit more uniformity in regards to the downtown look. Some of your neighboring towns you may have noticed store fronts that actually all are similar, like they may have all gold print, or what have you, and we'd like to bring that kind of look to the Roselle Municipality.

Currently we have many mom and pop shops, a lot of the store signs are just completely outdated, and the store has been bought up from someone else, and they may have changed a little bit as far as what they actually do, but the old sign is still there. And many of the store fronts, once they bought into the business, for whatever reason, have not invested in that. So we'd like to take advantage of it and create a little uniformity
throughout the town as far as the facade
improvement.

MS. KUBE: May we have a motion.
MR. HURD: Moved.
MS. RICHARDSON: Second.

MS. KUBE: Moved by Mr. Hurd, second by Ms. Richardson. Any questions, comments or concerns?

MS. MONTERO: I just have a quick question. The grants that you're giving to the businesses, explain a little bit about that process. I know there is a 60/40 match, do you give them a list of contractors they can hire? Do they get their own? How do you verify that what the quote is actually? You know, just what kind of checks and balances do you have?

MR. WYATT: Prior to this we had actually instituted a design work force that I believe came before this Board as well that actually put together the actual look through a resolution as to what we want to have done. We've already discussed this with the businesses in that area, there are approximately 28 businesses that we're talking about here. So everyone is pretty much familiar with it. And anyone new coming into the
area, of course, through that resolution will be
required when they put their business up to follow
suit with the rest of them. So this is something
that's already in the works as far as the planning
stages and the design and things of that nature,
which again will coincide with the next piece about
the Chestnut Streetscape.

MS. MONTERO: My question was what
kinds of checks and balances do you put in place?
When you give these businesses these grants, right,
it says, I think, up to $20,000?

MR. WYATT: Correct.

MS. MONTERO: And there is that 60/40
match.

MR. WYATT: Right.

MS. MONTERO: How do you assure that
takes place? Do you give them a list of vendors, do
they get their own?

MR. WYATT: You mean vendor doing the
actual work?

MS. MONTERO: Yes.

MR. WYATT: We have our vendor already
supplied, so it's through us, they don't have to go
out on their own. That's why we want uniformity, we
keep one vendor, they have the design, this is what
it is going to look like as far as the storefront,
you give us your name, that's as far as how it is
going to be done.

MS. MONTERO: Very good, thank you.

MS. KUBE: Any other questions?

Hearing none, all in favor please signify by saying
aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries. Next item

is Roselle's request for 164,400 for Chestnut
Streetscape, 1st Avenue to 3rd Avenue. Harry.

MR. WYATT: Thank you. Once again,
this goes hand-in-hand with the facade program, that
the facade program works on the store fronts, we're
also going to work on the sidewalks themselves.
Currently the sidewalks are very large, and
unfortunately in many areas sidewalks are broken up,
there are not enough trash receptacles, there aren't
any benches. We're instituting changes putting in
gas light fixtures in, new benches, so people can
make the entire downtown area look more appealing
once the store fronts are changed so it's more
appealing for the patrons to come.

We also had a project, this is on
Chestnut, and further along we did a similar project
that was very favorable, and once people saw the
bakery or what have you, a particularly popular area
for town, the question came up, why don't you do
that everywhere else? So that's what we're
attempting to do, to facilitate another section of
Chestnut Street that will look like the one everyone
kind of loves to see, make it a little appealing.

MS. KUBE: Thank you. May we have a
motion, please.

MR. HURD: Moved.

MS. KUBE: Motion by Mr. Hurd.

Second?

MS. RICHARDSON: Second.

MS. KUBE: Second by Ms. Richardson.

Any questions or comments, concerns from the
Authority members? Hearing none, all in favor
please signify by saying aye. Any opposed? Any
abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries,

congratulations. We will take five minutes.

(A short break was taken)

MS. KUBE: I want to start the meeting
again. We are going to go to West New York. West
New York's request for 150,000 for UEZ general
maintenance, phase two. Oscar Miqueli is here with us today.

MR. MIQUELI: Good morning. Our town has a problem in our streets in the UEZ zone as a result of the severe weather in the past years. From the use of salt to remove the snow and ice, the water freezing and melting potholes and cracks have appeared on much of the roads of the UEZ zone. This has caused hazardous and unsafe conditions. A significant amount of graffiti has appeared in our business district, leaving a great look to our town. We are requesting $150,000 to do the necessary repairs, which will lead to increased activity and a positive message will be delivered to our shoppers, merchants and businesses alike that our streets are maintained and it is safe to shop. This project will be supervised by the engineer and the chief financial officer who are qualified agents who will insure this complies.

MS. KUBE: Thank you, Oscar. May I have a motion, please?

MS. PEARSON: So moved.

MS. KUBE: Motion by Ms. Pearson.

Second?

MS. RICHARDSON: Second.
MS. KUBE: Second by Ms. Richardson.

Any comments, questions, concerns? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations, Oscar. Next is Elizabeth's contract amendment extension request again, it's 13 for Elizabeth Avenue, Union Square, phase two. And Mario Rodrigues is here with us.

MR. RODRIGUES: Good morning. I apologize, I'm fighting a cold. This is a contract amendment that we are requesting for Elizabeth Avenue Union Square phase two. We're requesting this amendment to the end of this month. There were some maintenance issues we had with PSE&G, which has since been resolved, we issued payment and now we are just waiting for the State to reimburse the City back.

MS. KUBE: Okay. May we have a motion, please.

MR. ABELAR: So moved.

MS. KUBE: Motion by Mr. Abelar.

MR. HURD: Second.

MS. KUBE: Second by Mr. Hurd. Any
questions, comments or concerns from the Authority members? I understand after this it will be closed down?

MR. RODRIGUES: That's correct.

MS. KUBE: Okay. Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Congratulations, Mario.

MR. RODRIGUES: Thanks.

MS. KUBE: Next item is Mount Holly second generation fund, request for $50,000 for preliminary investigation project. Kevin Mizikar.

MR. MIZIKAR: Good morning. This is a $50,000 request to secure second generation funding for project development purposes. We will use this funding for professional services, such as property appraisals, environmental assessments and surface feasibility and site studies in preparation for preparing a project for zone assistance funding request, whether that's an acquisition or some kind of redevelopment or partnership with a private entity. We're requesting to set aside this funding so we can act timely on projects, especially, you know, when dealing with private entities and
redevelopers that, you know, have specific time frames and need to keep their projects moving. So that's why we're requesting this funding.

MS. KUBE: Thank you, Kevin. May I have a motion, please.

MS. RICHARDSON: So moved.

MS. KUBE: Motion by Ms. Richardson.

MR. ABELAR: Second.

MS. KUBE: Second by Mr. Abelar. Any questions, comments or concerns? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries.

MR. MIZIKAR: Thanks.

MS. KUBE: Thank you, Kevin. The consent agenda, for the benefit of Ms. Kolluri and Ms. Montero, is generally taken as one motion, this would be contract extensions, contract amendments, any projects that are $50,000 or less. If an Authority member has a question, generally it's good if you let me know prior to the meeting, that way I know, you know, how you want to proceed. Does anybody have any concerns with any of these?

MR. ABELAR: Yes, Madam Chair, I will
ask that item 17 A shall be voted separately.

MS. KUBE: Okay. Any other comments or concerns from anyone? Okay. I am going to ask for one motion for agenda item 16, 17B, 18, 19, if I could have a motion and a second.

MR. HURD: So moved to accept those.

MS. KUBE: Okay, a motion by Mr. Hurd. Second by?

MS. KOLLURI: Second.

MS. KUBE: Second by Ms. Kolluri. Any questions or comments or concerns on those items? Hearing none, all in favor please signify by saying aye. Any opposed? Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carries. The next item we will take separately is agenda item 17A, Phillipsburg's request for 50,000 for 159 South Main Street renovation grant. Mark, are you still here? Can you please come up? Can you just give a brief presentation on this project?

MR. PORTNAY: Sure. Yes. This is in the in the heart of our historic project, this building. And due to mismanagement by a previous owner the building became infested with mold and it had to be gutted. And it's been vacant for a couple
years, and it's really been essential to our central business district and a real problem to find an interested buyer to take on this project.

We were fortunate to receive an offer from a tenant in another property in our downtown who agreed to move his computer consulting business to this building and do a substantial renovation. He acquired the building from the previous owner after lengthy negotiation, and he came to the Urban Enterprise Zone for assistance because of the nature of this project. It was not your typical project, it was probably not an economically competitive project from a real estate perspective, so he came to the UEZ and asked for assistance in assisting him with the renovation of the exterior of this building.

This is something that we'd like to participate in too, so we have some control over the way it looks. Although we are not officially a historic district, we like to keep control a little bit through our funding mechanisms of what goes on in terms of the exterior appearance of the building. So we did agree to provide a grant to this individual in the amount of $50,000 in what is a $363,000 project, and we think it's a good
investment on a part of the Urban Enterprise Zone, it will also create a job or two.

MS. KUBE: Thank you, Mark. May we have a motion, please?

MS. RICHARDSON: So moved.

MS. KUBE: Motion by Ms. Richardson.

MS. PEARSON: Second.

MS. KUBE: And second by Ms. Pearson.

Mr. Abelar?

MR. ABELAR: Yes. This is public monies to private for profit institutions, and I don't know, this concept, in spite of being the law, is unconscionable.

MS. KUBE: Okay, your remarks are noted. Any other questions? None. Hearing none, all in favor please signify by saying aye. Any opposed?

MR. ABELAR: Me, I oppose.

MS. KUBE: One opposition by Mr. Abeler, motion carries. Congratulations, Mark.

MR. PORTNAY: Thank you all.

MS. KUBE: Under old business what I am going to do is, at the suggestion of Counsel, agenda items 20 and 21 we will hold for the March agenda.

I am going to adjourn this meeting, I need a motion
to adjourn this meeting.

MR. ABELAR: So moved.

MS. KUBE: The February meeting, a

motion by Mr. Abelar, second by?

MS. PEARSON: Second.

MS. KUBE: By Ms. Pearson. All in

favor please signify by saying aye. Any opposed?

Any abstentions?

(All in favor, no opposed)

MS. KUBE: Motion carried.

(Adjourned at 11:55 a.m.)