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

-----------------------------------------

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

-----------------------------------------

Transcript of proceedings taken on March 14, 2007 at 11:55 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 Pillsbury, DAG
Donna Pearson, Public Member
Michelle Richardson, DCA Designee
Lewis Hurd, Public Member
Lopa Kolluri, Treasury Designee
INDEX

1

PRESENTER
Bayonne, Terrance Malloy 5
Hillside, Yves Auboury 11
Orange, Marty Mayes 22
Pleasantville, Roger Tees 23
Roselle, Harry Wyatt 33
Union City, Larry Weinstein 36
Vineland, Jim Lelli 40
Consent agenda 58
Public portion 65
MS. KUBE: We are going to call to order the March meeting, and today is Wednesday, March 14. I am going to ask Linda to read the notice of public meeting and take roll call.

MS. LENOX: Okay. 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.

MS. LENOX: Michelle Richardson, Community Affairs.

MS. RICHARDSON: Present.

MS. LENOX: Lopa Kolluri, Treasury.

MS. KOLLURI: Present.

MS. LENOX: Public member Ambar Abelar.

MR. ABELAR: Here.

MS. LENOX: Public member Donna Pearson.

MS. PEARSON: Present.

MS. LENOX: Public member Lewis Hurd.

MR. HURD: Here.
MS. LENOX: Chairwoman Kathleen Kube.

MS. KUBE: Here.

MS. LENOX: We have a quorum.

MS. KUBE: Next item for new business, Bayonne's request for $461,052 for fire fighter phase one. And Terrance Malloy is with us today. Good morning.

MR. MALLOY: Good morning. With us is our fire director Patrick Boyle.

MS. KUBE: Good morning, thank you for coming.

MR. BOYLE: Good morning.

MR. MALLOY: This project proposes to hire 12 new fire fighters in Bayonne, and they will be stationed at our former military ocean terminal. For the Board members not familiar with Bayonne, this was a military base that formerly was turned over to the city in 2001, and it's over 400 acres on a peninsula that jets out to New York Harbor. It is probably the most prized undeveloped piece of property at this point on the East Coast. And I just want to welcome any Board member as a group or individually, any time somebody wants a tour of the facility, or Bayonne in general, just give me a call and I will be happy to arrange it.
We finally have made a great deal of progress, we have been doing a lot of infrastructure work on the facility infrastructure, 45 million dollars of improvements on the site. We received numerous federal grants totaling over 20 million dollar improvements to the site, and the site's now ready, essentially, for development. There is still a lot of work to be done, but we have signed initial contracts for development on the site. Once built out the site will have 6,700 residential units, 1.5 million square feet of office space, and 345,000 square feet of retail space, which should create a total of about 500 new jobs.

In terms of value as vacant land the site's worth approximately 500 million dollars, built out the estimate would be two billion dollars as tax ratables coming to the city once built out. Obviously it is going to be a very long process to build out, we're probably talking a minimum of ten years, and quite possibly depending upon the economic cycle even longer than that. But construction is set to begin, hopefully, this spring will be a ground breaking on residential units.

In the meantime, the site has been used by Royal Caribbean as a cruise port. And
shockingly to many of us in Bayonne, Bayonne is now the third busiest cruise port on the East Coast. Thousands of people are now coming into town, and this is certainly an industry we want to continue to have on the base. And as we try to promote the base in terms of economic activity, it's important that the infrastructure is in place to support it. And part of the infrastructure is maintaining a firehouse on the base that would be open 365 days a year, 24 hours a day, and essentially be there to meet the needs of developments.

One of the major issues when you have major development construction going on is that a great deal of the site becomes actually hazardous, not only to the public, but to those working on the site. The facility at the base will also house our search and rescue team. So as construction is taking place the response time on any potential call will be minimal. Which is very important, obviously if you have a tragedy where a piece of equipment falls on someone the quick response time is what's essential to minimize the damage to that individual.

All these fire fighters will also be EMT trained, so they will be able to respond to
those medical emergencies once they are on the scene. While the city may use fire fighters from other houses to keep this open, none of these 12 fire fighters will be used to keep other fire companies open within the city, so these individuals will be dedicated to the zone.

Part of their responsibility will also include responding to retail development, which we now have on Route 440, which is just outside of the base, which currently houses business such as Houlihan's, Staples, a movie theater, AJ Wright. And part of the responsibility will also be to respond to our industrial area, which we also have members, including IMTT, which is the largest employer in the City of Bayonne.

The total project for UEZ funds is 461,000, the total expense of the project in the first year is 658,000, including the cost of hiring the 12 firemen. Essentially we're looking for funding on the first year of 70 percent of the total cost.

MS. KUBE: Thank you, Terrance. May I 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, comments or concerns?

MS. MONTERO: I have a question. And this question the answer to it will in no way influence my decision, it's strictly a for-your-information question. Can you just describe you have approximately 177 fire fighters, is that what I saw?

MR. BOYLE: Yes, right now.

MS. MONTERO: And you plan to hire 12 more?

MR. BOYLE: Yes.

MS. MONTERO: What's your general demographic breakdown of your fire fighters right now?

MR. BOYLE: I believe that there are of the 177 we have 8 Hispanic fire fighters, and 2 black fire fighters.

MS. MONTERO: Females?

MR. BOYLE: No females. They have been on a list, but they have never scored high enough on the list to get hired up to this point.

MS. MONTERO: Thank you.
MR. BOYLE: But we have an extensive recruitment program.

MS. MONTERO: Thanks.

MR. MALLOY: I should point out on that a few years ago the City was subject to an NAACP suit, we thought we were doing a job of recruiting minorities before that, we now make an effort for recruiting for minorities, including minority targeted newspapers and such. Thank you.

MS. MONTERO: Thank you.

MR. ABELAR: Would you be coming back for more funds next year?

MR. MALLOY: Yes.

MR. ABELAR: This is an early budget?

MR. MALLOY: Correct.

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

(All in favor, no opposed)

MS. KUBE: Motion carries.

Congratulations. Thank you for coming.

MR. MALLOY: Thank you.

MR. BOYLE: Thank you.

MS. KUBE: Next is Hillside's request
for two million dollars for revolving pool loan
program phase one. And Yves Auboury is here with us
today. Good morning.

MR. AUBOURY: Yes, good morning. My
name is Yves Auboury, I am the coordinator for
Hillside. With me this morning I have Councilman
Kulish, he is the chairman of finance. I have Kraig
Dowd, lawyer for the city, for the township. I have
Maureen Tinen, she is the president of the Union
County Economic Development Corporation. And Joe
Espinosa is the president of Pecaso Lighting.

MS. KUBE: It would be good if you have
cards if you could leave them with the court
reporter.

MR. AUBOURY: My presentation this
morning is two million dollars revolving loan
program, and it is a program that I have been
fighting for for years, and hopefully you guys will
approve it. This program was a program for three
years, 2007 to 2010, we are asking for two million
dollars for three tiers. One tier is for 5,000 to
35,000. Tier two is 35,000 to $100,000. And we are
going to have three rates, 1 to 35 months at 2.5; 36
to 59 months at 5 percent; 60 months to 84 months at
7.5; and any loans over 100,000 would be on the
basis of the request, and we will make some
accommodation to the committee and then to the
underwriter if we consider it or not.

The breakdown is $1,962,505 for
marketing, $1,500 for legal fees for the closing,
and 17,500 for cost for the UCEDC will be doing the
underwriting for us. We don't have any procedures
in place because it's customary to get the
procedures for the loan. Once we get the approval
this is what we will pay UCEDC for. And a copy will
be forwarded to the UEZ office.

MS. KUBE: I am sure there is
questions, can I have a motion, please.

MS. PEARSON: I will move it.

MS. RICHARDSON: Second.

MS. KUBE: A motion by Ms. Pearson,
second by Ms. Richardson. Question, comments,
concerns?

MR. ABELAR: If I may. The prime rate
at this point is 8.25 percent as of March 9, that's
the prime rate in the United States. I think this
is much, much lower than what is sold for in the
private sector, and I know the Authority wants to be
competitive. Now I particularly myself my modest
opinion is the government is not in the business to
compete with the banks for loans. I think this is very low, very low rate, below prime, below the discount rate. And so I have my concerns on this, how this money is distributed. And so we are putting the money first and then we will see the needs of the community. It seems to me a non-creative way to put money in the market, it's public money.

MR. AUBOURY: Sure.

MR. ABELAR: But here's my concern.

MR. AUBOURY: I can answer you too.

MS. PEARSON: It's his opinion.

MR. AUBOURY: One of the problems you see you heard before, one zone the loan program and because they were not competitive the money didn't go out. In our case we consult with Vineland, Mount Holly and Elizabeth, all those three are very effective projects in towns with their loan program, I consulted with them. We really sat down ourselves with the finance and the UCEDC, and we even got feedback saying it was too low. But the rate market goes up and down, you don't go higher than what the market is now. And then when the market goes lower and then you're stuck with the money. You really need to attract small business in your town. And in
order for you to attract small business, you have to
give them some incentive, a lower rate where they
cannot get it at a bank, they can come to the UEZ
and create jobs and get a lower rate. That's most
of the incentive of the program, create jobs,
attract business. I've got businesses coming from
New York, the first question they ask, do you have
any loan program? I don't have loan program, we
give them grant because we have to help them to come
to the township. So it's either you get the grant
creating loans at a low rate to attract them still.

Like Mr. Espinosa, ask him how much
money, I cannot give you a grant, but I can work
with a loan with you. Now that 2.5 or 7 because if
you take $500,000, for example, it's not going to be
for three years, it's going to be long term, it's
going to be at 7 percent, which is pretty
competitive. So, therefore, I will keep him in my
town and he will create jobs for the people, and his
business will create more incentive for the UEZ to
cost more money back.

MR. ABELAR: I understand your logic.

MS. PEARSON: Excuse me, Madam Chair,
again we're debating philosophical differences here,
it has nothing to do with the program.
MS. KUBE: This is why we're here, we're here to create economic activity for these businesses.

MS. PEARSON: Exactly.

MS. KUBE: This is why you're on this Board.

MR. ABELAR: That's correct, that's my honest opinion.

MS. KUBE: Well I don't want to talk about it no more.

MR. ESPINOSA: Excuse me.

MR. PILLSBURY: Is there any other point?

MS. KUBE: Is there any other point you want to make?

MR. ABELAR: Yes. As a member of the private sector who comes to this Commission I have my honest opinion. The Legislature thought that bringing a private member of the public as the private sector to this Commission will add something. And of course the majority of the people in this room, being that I'm in the public sector, seems that I am out of place, but this is what the Legislature wants.

MS. KUBE: Do you have another point to
make a new point?

MR. ABELAR: No, no.

MS. KUBE: Okay. Anybody else have questions, comments? Ms. Richardson.

MS. RICHARDSON: I'm looking at the draft proposal.

MR. AUBOURY: With the UCEDC, yes.

MS. RICHARDSON: Yes. And I just want to clarify, there's a point here where it says request of 35,000, and below will be referred for consideration under UCEDC's microline program. But elsewhere in the package it seemed as though loans coming funded below that level would be funded by the two million, so I'm not sure where the small loans will be funded.

MR. AUBOURY: No, they will be funded by the 1.26 million dollars. When you go to the vendor to negotiate you need to show the board that you're really coming off the loan based on your talk with the vendor. In my case when I talk to the vendor, which is the UCEDC, they come in the business with you, show me your draft. I can show you what will be my draft, and how much money you will charge for the business. So this is just a draft.
MS. RICHARDSON: Okay.

MR. AUBOURY: We negotiate the numbers, we negotiate what we want, and I go back and forth with the Chair, where I as executive director for the UEZ I will be really in touch with the project coming in, rectify them, talk to the State to see the eligible taxation before we even send it to them.

MS. RICHARDSON: This is not accurate?

MR. AUBOURY: It's not final yet.

MS. RICHARDSON: Okay.

MS. TINEN: I just wanted to add that sometimes a loan becomes more attractive when you share risk. And if a loan under $35,000 comes in that the UEZ is not comfortable with, or we are not comfortable with, we would be sharing those loans, we might co-lend to them to reduce our respective risk.

MS. RICHARDSON: Under the same terms and conditions of what you're showing here in terms of rates?

MR. AUBOURY: Yes. So if I give 75, they will come out 75.

MS. RICHARDSON: At the same rate?

MS. TINEN: If UEZ is making a loan the
loan would be their rate.

MS. RICHARDSON: Okay.

MS. TINEN: If we are making the loan it would be our rate. And if we are both making the loan we are cutting it in half, so to speak, we would lend out and it would be a blended rate.

MS. RICHARDSON: The other confirmation is that this is in part a microlending program, so you are looking at businesses who may not be bankable.

MR. AUBOURY: Yes, that's one of the issues too in the small businesses.

MS. RICHARDSON: And that's one of the reasons behind the way you're pricing the loans?

MR. AUBOURY: Exactly.

MS. RICHARDSON: But you're always looking at cash flow, and you're always considering your standard bank underwriting approaches.

MR. AUBOURY: That's why we brought them on board.

MS. TINEN: The difference between a community lender and the bank is the bank's goal is to serve their investors and make a profit, and the community lenders goal is to make sure the business not only opens, pays the loan back, but grows. And
the reduced interest rate helps improve the cash
flow of the business, which increases their odds of
staying in business, and that's the UEZ's primary
goal.

MS. RICHARDSON: Final question,
sorry.

MR. AUBOURY: Sure.

MS. RICHARDSON: By in this
collaboration are you also providing the businesses
with a certain level of hand holding so that they
get stronger and perhaps at some point they can go
to a commercial bank, is that also part of what
you're considering?

MR. AUBOURY: Something we discussed
during our prior negotiation, and there was going to
be a cost added to that. I told Maureen I don't
think I feel comfortable coming to you guys spending
$35,000 more doing that. So what we will do while
promoting the program we refer them to UCEDC to
provide that service at their own cost. And we will
have some work structure doing the marketing that we
can do with the business also to explain to them
what we're doing.

MR. ABELAR: There was a gentleman that
wants to talk.
MS. KUBE: Is there someone else who wanted to speak?

MR. ESPINOSA: I'm Joe Espinosa, I'm from Pecaso Lighting. We are a good example of how you guys helped us. We came from New York, we were brought in from Hillside, they gave us a hundred thousand dollar loan to move into Hillside. We took a building that was vacant for almost three years on a major highway, and without your help we would never be able to accomplish where we are today. And today I'm here to ask for you guys to lend us a half a million dollars so we can create a retail environment in our building that will generate close to $200,000 in UEZ monies a year. So, you know, this low percent, this interest at 2 percent or 3 percent helps our cash flow be able to do that.

It's important for businesses to have that available to them in order to grow, especially when you have states like North Carolina, Virginia, offering businesses all sorts of packages to move out of the state. So it's important to keep this low interest money. That's it.

MR. AUBOURY: Thank you.

MS. MONTERO: I just wanted to make one comment.
MS. KUBE: Sure.

MS. MONTERO: And that is when you started explaining how you came about with your program you talked about the fact that you collaborated with other partners throughout the State to see what it is that they're doing well, so I commend you on that.

MR. AUBOURY: Thank you.

MS. MONTERO: And I suggest that you continue to do that in order to ensure the success of your program.

MR. AUBOURY: Yes, thank you.

MS. MONTERO: Collaborate with your partners. No sense in reinventing the wheel. And make sure that money gets out.

MR. KULISH: That was a direct order from the finance.

MS. KUBE: Can you identify yourself?

MR. KULISH: John Kulish, Chairman of the Finance Committee and Councilman in Hillside.

MS. KUBE: Okay, thank you for coming. Any other questions, comments, concerns? Hearing none, all in favor please signify by saying aye. Any opposed?

MR. ABELAR: Yes, I am opposed.
MS. KUBE: One opposed by Mr. Abelar.

Any abstentions? Motion carries.

MR. AUBOURY: Thank you very much.

MS. KUBE: Next agenda item is Orange's request for $239,657 for UEZ police project phase nine.

MR. MAYES: This is police director Aric Webster, A-R-I-C. This is Orange's request for year nine of our policing project, $239,657. At the current time we have seven police officers, we intend on staying with those seven. Three of the police officers are directly dedicated to our train station, and the other four police officers will makeup a foot patrol that will patrol the UEZ area.

MS. KUBE: Thank you, Marty. Can I have a motion, please.

MS. PEARSON: So moved.

MR. HURD: Second.

MS. KUBE: Motion by Ms. Pearson, second by Mr. Hurd. Any questions, comments or concerns from the Authority?

MS. MONTERO: I will ask the same question that I asked before.

MS. KUBE: Okay, that's fine.

MS. MONTERO: Which will in no way
influence, I have to say that caveat, the vote.

MS. KUBE: Okay.

MS. MONTERO: What's the demographic breakdown of the Orange Township Police officers currently?

MR. WEBSTER: I would say approximately 65 percent African-American, about 30 percent white, and the other 5 percent would be Hispanic.

MS. MONTERO: Women?

MR. WEBSTER: Women, it would be approximately I'd say 20 percent.

MR. MAYES: A lot of women officers.

MR. WEBSTER: Yes, we do.

MS. MONTERO: Thank you.

MR. WEBSTER: All right.

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. Next items we'll take separately from Pleasantville, first one is $68,035 for UEZA 01-54, railroad improvement project increasing the project from $541,083 to $609,118, and Roger Tees is with us.
MR. TEES: Thank you very much, Madam Chair. And good afternoon, everyone. The railroad improvement project began in the year 2001, it was an ambitious program to upgrade a freight rail line that runs through Pleasantville connecting with the NJ Transit line that goes into Atlantic City. The primary reason was that we have a number probably six to eight industrial users of the railroad of the freight rail services, and those companies have increased their use of freight rail as they have been continued to be successful in the Pleasantville UEZ.

In addition, as part of our city center redevelopment initiative we are anticipating creating a passenger rail service, either a bus rapid transit or a diesel trolley service to go from Pleasantville into Atlantic City. And hopefully as we rebuild our city to bring people from Atlantic City to Pleasantville to enjoy the amenities we will have in the near future.

This project is being done under a joint funding of the New Jersey Department of Transportation Bureau of Freight Services and the UEZ, primarily the DOT has been the major funding source for these improvements.
Where we got stuck in the summer of 2006 was the extension of a spur from the main stem into an industrial park in Pleasantville. The problems are that it is crossing over a county road. There was a request for additional signalization and safety requirements that are not normally required for freight rail operations. And as your packet included a work group of the businesses, DOT railroad construction, which does the work, and the City of Pleasantville has been trying to find ways to fund this additional money. DOT finally announced that it did come up with its share, which would be 90 percent of the anticipated cost of 685,350, and the UEZ would make for 68,035. This will allow us to complete the rail spur into a building supply business and a stone recycling business, one of the largest in the County of Atlantic, and to continue this economic growth for those two businesses.

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

MS. RICHARDSON: So moved.

MS. KUBE: Motion by Ms. Richardson.

Second?

MS. KOLLURI: Second.
MS. KUBE: Second by Ms. Kolluri. Any questions, comments or concerns from members of the Authority? 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 $30,739 for UEZA 05-41, city center redevelopment study, increasing the project from $137,860 to $168,599. Roger.

MR. TEES: Madam Chair, thank you. This project again began in 2004, it was the initial investigation and the writing of a redevelopment plan for four blocks of the downtown area of Pleasantville. As this process continued through the area in need of redevelopment investigation, the declaration of the area in need of redevelopment, the writing of a plan and going through the various public process, be it planning board hearing, city council hearings, community outreach meetings, changes had to be made to the plan. In fact, we actually on the recommendation of the public both UEZ member businesses, residents, and property owners, we added a fairly large segment of the downtown to the established area that we had already
been working on.

As we have again moved this through the process we are now at a point where we want to release the request for proposals to the development community. However, because of the additional cost of meeting the public's demands for changes and amendments we came up short on funds to be able to do this outreach, as the backup shows you. We are not going to be satisfied with just testing the Atlantic City Press to see what local developers may want to come in and build 30 acres of the new downtown literally from the ground up. So we would be reaching out in a national search using two of the bigger papers, of course the New York Times and the Wall Street Journal, regional papers such as the Philadelphia Inquirer and the Atlantic City Press, which is the city's legal newspaper. This process would be to allow us to do that outreach to make the appropriate copies.

This is a document, of which I've brought several, this is the redevelopment plan itself, the redevelopment plan that was amended is about the same size, and the investigation is about the same size. To photocopy and distribute 118 pages of this document and the maps is not a cheap
proposal. So this amendment will allow us to have the funds to do the appropriate advertising and marketing to do the appropriate copies we require. We have a mailing list right now of about 96 firms that we have identified over the course of years who have an interest in getting a copy of this, and we need to get this on the street. The goal is to have these developers return in July with their proposals, and by the end of this calendar year having a developer or developers designated and begin in 2008 the process of rebuilding our central business district.

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

MS. RICHARDSON: So moved.

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

MR. HURD: Second.

MS. KUBE: By Mr. Hurd. Any questions?

MR. ABELAR: No.

MS. KUBE: Comments or concerns?

MS. RICHARDSON: On the third page the first bullet, so these funds are also used for the attorney negotiating the purchase of specific
MR. TEES: That was being done, the answer is yes. In the current project as we began the redevelopment process property owners came to us and said, since we are going to be in an area in need of redevelopment and at some point we are going to need those properties, they wanted to sell them now. We have actually acquired four properties using either second generation funds, that was the primary use for properties in the redevelopment area already. Now we have a UEZ project, the city center property acquisition project, which budgeted for three acquisitions. So the city has been negotiating and acquiring properties within the redevelopment area through voluntary sales right now.

MS. RICHARDSON: So the legal cost associated with those discussions are a part of this? 

MR. TEES: Yeah, they have always been a part of this particular project. What will happen, this will be the last amendment for this project, because in June you will be asked to consider the city center redevelopment plan phase two project, which will be the implementation of the
redevelopment plan from the point of the redevelopers responses through designation and redeveloper, through the end, property acquisition, demolition, and all of the other things that will go into building the downtown that will be a totally separate project.

MS. MONTERO: I have one question.

MS. KUBE: Sure.

MS. MONTERO: The original request, the original award was 137, is that correct?

MS. KUBE: Yes.

MR. TEES: The original project was $42,242.

MS. KUBE: Right.

MR. TEES: And the reason that changed over the course of the last two years is as we first did the investigation, had it declared in need of redevelopment and went through the public hearing process, we had to bifurcate the plan, because this actually includes two elements of the redevelopment law. There is a three-block area that's been declared in need of redevelopment under the State Redevelopment and Housing Law. There is another one in a half block area that's been declared in need of rehabilitation. The difference between the two is
eminent domain and condemnation is an instrument in
a redevelopment area, but not in a rehabilitation
area. But for the purposes of redevelopment, all of
the area has been, you know, is targeted for this
process. So because we had to separate first and
work on the redevelopment side and then through
additional public hearings, the community wanted to
add another block and a half of the downtown to the
redevelopment area, we had to go through the formal
investigation, the declaration, the hearings, amend
the plan, which had to go through the planning board
process and city council process, and it was adopted
by ordinance March 5th at its meeting.

MS. MONTERO: Right. And I didn't see
your original proposal, but I'm assuming it included
cost for the plan, for actual distribution of the
plan, as well as marketing of the plan?

MR. TEES: Sure. Now in the original
application--

MS. MONTERO: It wasn't included
before? I guess that's what I am trying to figure
out. I don't understand how the delay in the
process actually increased marketing cost or
distribution of a plan, because I guess I didn't see
the original one. I would assume you already had
marketing costs and distribution of the plan in the
original?

MR. TEES: Now in fact the original
project says this project will not refund
solicitations and negotiations. Although that
element of the project could be amended at some
later time. It was the intent in the beginning to
do the redevelopment investigation to get that
approved, to write a redevelopment plan for that
area. But once we started involving the public in
the process and they responded it required
additional city planner time, engineering time,
there is all those professional services that are
used to effectuate a redevelopment designation to be
increased.

Also, as I said, the side benefit to
this was as property owners realized we were doing
this, they came to us for voluntary acquisition of
their properties. So we were able to use this to
also firm up those negotiations. And then we wrote
a separate project to actually acquire three of the
sites, and we used a second generation fund project
to acquire four or more sites.

MS. MONTERO: I'm still not clear, I'm
sorry. In your last proposal did you request money
for redevelopment for the actual plan for copies of
the plan?

MR. TEES: Yes, yes. But not for the
purposes of distribution to the development
community. This was for planning board copies, city
council copies, internal copies.

MS. MONTERO: That clarifies for me.

And the marketing, did you also request for
marketing?

MR. TEES: No, because that would have
been part of the RFP process.

MS. MONTERO: Thank you, that's what my
question was.

MR. TEES: All right.

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, Roger.

MR. TEES: Thank you.

MS. KUBE: Next item is Roselle's
request for $70,712 for Comcast phase two. Harry
Wyatt.

MR. WYATT: Good morning again.
MR. PILLSBURY: Now it's good afternoon.

MR. WYATT: Again, I'm Harry Wyatt, this is Roselle's request for $70,712 for Comcast phase two. Phase one at this point is actually complete, and phase two has come about as a result. Phase one incorporated commercials, advertising the UEZ over Comcast local air waves. And it required or brought about such response such as, well, those look really nice, and the UEZ looks really nice, I wonder if I could actually do the same for my business. But on secondhand, I probably won't, because commercials are very expensive. Phase two is a plan to actually help with the cost of those commercials. And we have many mom and pop stores within the Roselle community in our municipality, and as a result, cost was a major factor for them. And this program actually defers this cost tremendously. In fact, it puts pretty much the only cost that a business has is the production cost. And depending on how elaborate they'd like their commercials to be, those costs range from 500 to $2,000, and that's pretty much about it. The remainder of the commercial air time is absorbed through this particular project.
I am pretty excited about this. This project actually gives them an opportunity to be viewed not only on the regular networks, but BET, TNT, Lifetime, and MTV, and many of the major channels that they actually have, as well the NBA package, because at that time it will run from April 2008 to the end of the year December, which is approximately 3,800 commercials. And in that time of course the NBA playoffs start around May and goes through June, around April and goes through June, so of course the commercials will air during that time as well. And obviously these type of venues we feel will bring in great type of business through marketing.

MS. KUBE: Thank you. May I have a motion.

MR. HURD: So moved.

MS. RICHARDSON: Second.

MS. KUBE: Motion by Mr. Hurd, second by Ms. Richardson. Any questions?

MR. ABELAR: No.

MS. KUBE: Comments, concerns?

MS. MONTERO: Do you find out how they found out about your program? Like, how do you determine whether your marketing strategy is a good
one?

MR. WYATT: Whether or not how do you track, I guess, is your question?

MS. MONTERO: Yes. Do you ask individuals, how did you hear about us?

MR. WYATT: Basically that's how it's going to work. We wanted to work with the business. Once you sign up and produce your commercial you are going to need to track what it is how people actually came to you. And we hope to be able to get a more favorable response from these businesses so we can actually tell how much bang for our buck we got with this program.

MS. MONTERO: Good.

MS. KUBE: Okay, 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. WYATT: Thank you.

MS. KUBE: Next item is Union City's request for $319,360 for business recruitment and marketing project phase seven. And the UEZ coordinator is ill today, and Larry Weinstein is
here as Chairman of the UEZ Board to do the
presentation for Union City.

MR. WEINSTEIN: Thank you.

MS. KUBE: Good morning.

MR. WEINSTEIN: Good morning, good
afternoon. My name is Larry Weinstein, and I am here
to seek approval for $319,360 for the business
recruitment and marketing project. This proposal
seeks to renew funding for the continuation of the
Union City's UEZ business recruitment and marketing
plan starting in 1999.

This year's program will continue to
developing and aggressively promote the Union City
enterprise zone as a center of commerce and a retail
shopping entertainment area, particularly in Spanish
speaking communities. The project and figures in
this proposal are similar to previous marketing
programs.

Through this accomplishment we
developed a clean-up Union City campaign, we
improved media recognition of the zone through the
following avenues, print ads, and local, state and
out of state newspapers, TV advertisements, develop
a UEZ newsletter, both English and Spanish, with
information regarding advantages of joining the UEZ
program. We developed a web site, we also
distributed UEZ shopping guides to promote Union
City as an exciting and active business community.
And developed a Taste of Union City event that was
attended by hundreds of people in an effort to
promote local restaurants, bakeries and businesses.
Through the marketing campaign we hope
to continue to foster economic growth through
relocation or expansion of businesses currently in
the zone. Additionally it will continue to generate
awareness of the benefits to eligible businesses and
consumers. Thank you.

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

MS. RICHARDSON: So moved.

MS. PEARSON: Second.

MS. KUBE: Motion by Ms. Richard,
second by Ms. Pearson. Any questions, comments?

MS. KOLLURI: I have a question.

MS. KUBE: Ms. Kolluri.

MS. KOLLURI: Thank you. Phase seven
of the marketing campaign, and I am just curious as
to, you know, the whole idea of the marketing
campaign is to lead to more economic activity, more
jobs, location of businesses. Have you at all
looked at how you actually measure that and how you
impact?

MR. WEINSTEIN: Yeah.

MS. KOLLURI: Are there any activities, jobs, businesses that have been created that can be
linked specifically to the marketing campaign?

MR. WEINSTEIN: Well we definitely surveyed the business community, and we have open
lines of communication with all of the merchants within the town. We also have an aggressive UEZ
board that are very hands-on. I am a merchant also within the UEZ zone, so I could give you firsthand
knowledge on how this advertisement does improve the business district by attracting more people to the
area. Obviously the more people, shoppers that come to the area improve sales. And as a result of
increased sales it also increases employment.

MS. KOLLURI: How long is the marketing campaign? This is phase seven, right?

MR. WEINSTEIN: Correct.

MS. KOLLURI: So this has been ongoing?

MR. WEINSTEIN: It's been going on for the last seven years, correct.

MS. KOLLURI: Thanks.

MS. KUBE: Any other questions?
MR. ABELAR: Just one. I'm just seeing

in this page that you submitted here a lady by the

name of Amelda Weinstein.

MR. WEINSTEIN: Correct, that's my

wife.

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.

Congratulations.

MR. WEINSTEIN: Thank you very much.

MS. KUBE: The next item is agenda item

nine, Vineland's request for $3,510,000 for economic

development loan to BASB, LLC. And Jim Lelli is

here. Good morning.

MR. LELLI: Good morning, folks. I was

going to wear a shirt I'm the end of the line, but

Kathy wouldn't let me wear it. The first request

that Vineland has is for $3,510,000 for an economic

development loan to BASB, LLC. This is a

distribution center, it is going to be the second

largest distribution center in Vineland, and the

third largest building in the city. Two great
tenants, one is the Burberry clothes from England, who's going to occupy about 200,000 square feet, and Pierce Felps Dodge is the other company that's going to do that.

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

MS. RICHARDSON: So moved.

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

MR. HURD: Second.

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

MS. RICHARDSON: I have a question. How many jobs are going to be created?

MR. LELLI: Well we used based on the size of what they're doing we believe that it's somewhere around 55 jobs. Although we have not--Burberry has not approached the city for any benefits, so I have been unable to contact them, for some reason. Unfortunately to them they lost their attempt, their chance to get a BEIP award because they already went into a lease with the company before they started, so they never came to us to propose that, so we're guessing 53 jobs or 55 jobs. When this company applied for their planning permit
the parking spaces indicated that's probably the
total number of jobs.

MS. RICHARDSON: The reason I'm asking
is on page three, help me understand the context, on
page three I saw 105 jobs, so how do I reconcile the
two pages, page three versus page six?

MR. LELLI: There is another, they used
a formula for that 53.

MS. RICHARDSON: For the 105? There is
105 jobs, 80 from Burberry, 25.

MS. KUBE: Pierce Felps.

MR. LELLI: Pierce Felps I knew about,
but again, we estimated number of jobs from
Burberry, because all I could go by was the planning
board's approval of parking spaces for the people
who are going to work there.

MS. KUBE: So there could be more than
the 55?

MR. LELLI: There could be more, I
actually thought it was a hundred. I remember
talking to the manager of the project for BASB, and
he thought there was going to be about a hundred
jobs there. What's more interesting is the fact
that they are going to put a racking system in there
to handle 1,800,000 mens suits for distribution
throughout the East Coast here, which is a fantastic
operation. So we are very happy to have a company
like that come in and add to the jobs in Vineland.
Again Cumberland County has the highest unemployment
rate in the State, so any jobs are a plus for us.
And also we also have the lowest per capita income
in the State, so jobs make that important too.

MS. KOLLURI: Is there any other
financing that's going into helping construct the
warehouse?

MR. LELLI: Oh, yes, Bank of America
has the first position mortgage, and we're taking
the second position mortgage. Our mortgage is 5
percent fixed for 20 years.

MS. KOLLURI: So Bank of America is
doing the construction loan?
MR. LELLI: Bank of America is doing
the construction loan.
MR. HURD: Do you know how much?
MR. LELLI: Or maybe Sun Bank is. See,
the owner of BASB is also the chairman of the board
of Sun National Bank, so Sun might be doing the
construction financing, and Bank of America and us
will do the permit financing.

MS. KOLLURI: Bank of America is doing
the permit financing?

MR. LELLI: Probably, yeah.

MR. HURD: Yeah.

MS. RICHARDSON: The UEZ loan principal plus interest it will amortize?

MR. LELLI: Yes, over a 20-year period.

MS. RICHARDSON: Principal plus interest being paid?

MR. LELLI: Yes, ma'am.

MS. KUBE: Any other questions?

MR. ABELAR: I have a comment.

MS. KUBE: Yes.

MR. ABELAR: These are public monies to be loaned to a private institution for profit well below prime rate. And I don't think it's appropriate to be loaning in this fashion to a private institution, that's my personal opinion.

MR. LELLI: That's fine.

MS. KUBE: Thank you.

MR. LELLI: Allow me to respond to you. Among the most and for the City of Vineland and for me personally, as Kathy will tell you, one of the most important things is that we put this money, this UEZ money into a revolving loan fund. And because we're going to have that forever and
ever to do economic development, the fund now
stands, and I am proud of this, at about 55 million
dollars. We had ten years of experience, the cash
flow from the revolving loan fund is almost equal to
the sales tax revenue we get from the State, that's
how far it's progressed. And as soon as we get cut
by that one-third in 2008, the revolving loan fund
will supplant that. Again, the loans are only one
of the eight permitted categories in the legislation
that allow you to keep the money, otherwise you're
spending capital improvements are great, but, you
know, we support firemen, we support policemen, we
do all those improvements also. So this is only one
of those categories where you're going to be able to
have it when it's all said and done.

And finally, at a 5 percent interest
rate for us who this is in a 501(c)3 corporation,
because it's the enterprise development corporation
of Vineland, Millville, so we don't have no cost of
funds, so we make 5 percent, that's 500 basis
points. We pay no income taxes, so we are actually
more profitable than any of the banks. Any of the
banks would love to make the spread that we make on
our money, and at that rate.

And finally, those low interest rates
fix for a period of time allow the company or the property owner, because we don't give real estate tax abatement over a 20 year period and, you know, as the surrounding states do. So to do that, to offset that we have to offer a lower interest rate on our loans so that it equals what they would have gained by real estate tax abatement, and that's the reason why we do that. It's just economic development plus. And, you know, in New Jersey at the moment the real estate tax situation is not the best in the world, and there's the economic incentives here in New Jersey, we rank way low. If I read all of the latest trade magazines New Jersey is down in the last quarter percentile. So we have to go the extra mile to attract companies and get back to an economic level where we need to be for southern New Jersey and Cumberland County in particular.

MR. ABELAR: I understand your point.

MS. KUBE: Thank you.

MS. MONTERO: I just have one last comment. To the extent you can, please ensure that there is collaboration with these companies and the local One Stop, you mentioned the unemployment rate.
MR. LELLI: Done, they sit right here, we go to meetings, they are right next to me.

MS. KOLLURI: What is the timeline? When are they due to break ground?

MR. LELLI: It's going to start I think the C of O will be issued in April, and they are putting in their rack system now in the big building. And I don't know about Pierce Felps, I know they're just bringing in their inventory supply for distribution in the area, but I think it's ready to go April one, or the end of April, somewhere in there.

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

MR. ABELAR: I'm opposed.

MS. PEARSON: Abstention.

MS. KUBE: One oppose by Mr. Abelar, one abstention by Ms. Pearson. Motion carries.

MR. PILLSBURY: I'm curious, the abstention is because of a conflict of interest, or just not able to decide?

MS. PEARSON: Conflict.

MS. KUBE: Okay, next we have three second generation fund projects from Vineland, and
we will take them separately. First one is for $1,027,190 for economic development loan to Cumberland Cape Atlantic YMCA. Now, underneath all of this paper is a revised version of the project. Do you need to take a minute to look for it? Because we put it out in front of your places this morning.

MR. LELLI: And I want to thank everybody for working with me to get this in the proper format.

MS. KUBE: Well Ms. Richardson she brought some things to our attention, and we were able to work it through Ed Pillsbury there through Mr. Carey's office. If everybody has found their project, Jim, if you want to start your presentation.

MR. LELLI: All right. This loan to the YMCA for $1,027,190 is a little unusual in that the Y was going to do an expansion through a fund raising program and institute this new family program, which is very exciting for us in the city. And during the course of the investigation they get a correspondence from CREDA from Atlantic City offering to, of course they owe them about $750,000 on a previous loan that the CREDA made to the YMCA,
they offered them a one third debt reduction if they would pay the loan off right away. So in effect it's like being able to give the YMCA a gift of $250,000, and it doesn't cost anybody anything.

So that got put into the mix, and we combined it so that it would be also they really weren't ready to get started with this program, but now that this came along, and the opportunity to do this debt reduction for them that window is open now, and we don't know how long it is going to be open. So we put it together, and the project.

And the other half of the source of funds is a fund raising effort by the YMCA board, which is a group of volunteers, and a great group of people. So the breakout as the family fitness center remodeling equipment is about 1,027,190, we repay CREDA a half a million to save 250,000. And there was some other debt restructuring in there that they owed a local bank. So we agreed to do 1,027,190, of which 500,000 would go to repay CREDA, and the other 527,000 would go towards the remodeling and the new equipment and the remodeling for the family fit program. And the Y would raise the 750, pay off the other debt to the other local bank and leaving the City of Vineland with a first
mortgage of $1,027,190 in the program.

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

MS. PEARSON: So moved.

MS. RICHARDSON: Second.

MS. KUBE: Motion by Ms. Pearson, second by Ms. Richardson. Any questions?

MR. ABELAR: No.

MS. KUBE: Comments or concerns?

MS. RICHARDSON: Actually a question.

MS. KUBE: Ms. Richardson.

MS. RICHARDSON: So you're explaining that CREDA actually approached the Y?

MR. LELLI: Yes.

MS. RICHARDSON: Offering to--

MR. LELLI: The Y wasn't the only one, I understand. I have not talked about the Y with CREDA, but I understand they are doing some kind of a program to raise funds down there and offer some debt reductions to a number of their people, which surprised me, but that's the first time I have ever saw that kind of an offer.

MS. RICHARDSON: Did the Y ever consider approaching CREDA to renegotiate the terms of the remaining debt outstanding to ease cash
flow? Was that ever a question?

MR. LELLI: No, it was CREDA approached them. CREDA approached the Y, and the Y was moving along in a general pattern.

MS. RICHARDSON: I understand.

MR. LELLI: This offer triggered this whole project.

MS. RICHARDSON: Right. But there wasn't an opportunity to see if the remaining outstanding could be renegotiated extending the terms reducing the balance?

MR. LELLI: No. It was possible, but our program the city's revolving loan program would lower their cash flow even greater. Once the fund raising takes place they'll pay out the other bank, they will gain, I forget how much their cash flow will be increased, better than if it was CREDA. But CREDA was not in the mood to renegotiate, they wanted to get the loan paid off.

MS. RICHARDSON: Oh, so that wasn't an option?

MR. LELLI: It really wasn't an option.

MS. RICHARDSON: Okay.

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 $208,500 for economic development loan to Pray for Me, LLC. Jim.

MR. LELLI: The name still gets me.

MS. PEARSON: Is it a church?

MR. LELLI: No, it's not a church. I don't know where they got it from. As our senior lender working with the program I never got to meet these people, I don't know either. Anyhow, this is a standard economic development loan for a company that's expanding their business as a locally owned company, European Auto Specialists, Inc. is the name, and they've been successful over the years, and they got a chance to do this expansion. Delsey Drive in Vineland is a real hot spot now for economic development and businesses coming in, and they decided to take advantage of that. So this, again, we're just doing the one-third loan of the whole project. Our piece will be $208,500, it's 20 years, 5 percent fixed rate for 20 years for that.

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

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

MS. PEARSON: Second.

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

MS. RICHARDSON: Just some clarification. The relationship between this company and the lessee, what is the relationship between the two?

MR. LELLI: The LLC papers the owners are the people that operate the European Auto Specialist, Inc. they just formed a separate. Most of the deals now for tax purposes they use an LLC to own the property and they lease from the LLC so their money goes and that lease payment goes to set off the rents and pay back the loan.

MS. RICHARDSON: Both entities are members of the zone?

MR. LELLI: Yes, they have to be.

MS. RICHARDSON: And between the two entities how many jobs will be created?

MR. LELLI: Just two new full-time jobs. The other benefits are obviously another real estate tax flow for the City, and also an income for the revolving loan.

MS. RICHARDSON: And the last question
I have is when you look at the bank terms and UEZ terms they're very different in terms of the term of the loan?

MR. LELLI: Our standard program is a 5 percent fixed for up to 20 years. I think the banks use a balloon, but we're prepared, we need companies to appreciate, and it's another incentive that when they have a fixed cost for 20 years they can do their budgeting. When you do a balloon you're subject to whatever the interest rates are at the time the balloon comes due, which is either 5 or 10 years. Most banks use a 20 year payout with a 5 year balloon. And as you can see right now the whole turmoil of the market with the subprime, all these loans are coming due and the adjustable rate mortgages are going sky-high. That's the perfect example of why fixed rate for businesses protects the businesses and allows them to plan better.

MS. RICHARDSON: You were explaining before that you don't have pilots so you tend to give the longer loan terms as a perk, is that the thinking with this one as well?

MR. LELLI: Yeah, it's our standard program. Again, it's more beneficial too. The other part is again to get that money into the
revolving loan fund as part of the principal is of key importance to the city. The city administration has really put a priority on that, and tries to keep most of our money in the loan program. So we're looking forward to the five percent interest rate payments cash flow every month. The rest of it makes it just steady to keep the loan where it is. Right now we have to make still almost eight million dollars in new loans just to keep even with what we have.

So again, the loan program is most important, and the key part of what the city wants to do. Because again, when the lights go out on the UEZ the city wants to have some program and funds available to offset the costs, which they will not get anymore from the UEZ program, and also to provide a source of income for economic development in the future.

MS. KUBE: Any other questions?
Hearing none, all in favor please signify by saying aye. Any opposed?
MR. ABELAR: Opposed.
MS. KUBE: One opposition by Mr. Abelar. Any abstentions? Motion carries. Next item is $30,000 for economic development loan to
European Auto Specialists. Jim.

MR. LELLI: Yes. This is the equipment loan that goes inside the building we just talked about. And there is a typo, this is a 10-year loan, because we only do 10-year loans for equipment, not 20. I'm sorry about that.

MS. KUBE: Ms. Richardson caught that.

MR. LELLI: I knew you did, you are good.

MS. KUBE: She caught it.

MR. LELLI: Go ahead.

MS. KUBE: I need you to correct that in there in the proposal.

MR. LELLI: Pardon?

MS. KUBE: I'll need that correction in the proposal.

MR. LELLI: Yeah, I will send you a corrected copy.

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

MR. ABELAR: Opposed.

MS. KUBE: One opposition by Mr. Abelar. Okay, we will move onto the consent.

MR. LELLI: I would like to say one other thing while I'm here, for the record. You know, we get a loan application in Vineland and we spend a lot of time analyzing that loan, hours and hours and hours and going through all of the approvals and presentations. And then we come to a board, I hand you a piece of paper, say, here, approve this, trust me, and in five minutes you are suppose to make a decision about what took us 20 hours, you know, a lot of hours to do. So your input is really appreciated, because it helps us form when we do the narratives for these we want to make sure we include what concerns each of you. So, Kathy, don't change the Board members, I have to train this new group so that we can do that.

But again, I want to thank you, and the public just has to understand that. But it's the same thing to go to city council, and I told them the very same thing. I says, here I go, and here it is, we did all this work, we think it's
okay, they look at it for ten minutes at a city council meeting and have to vote in public to vote for it. And there's a lot of trust in that, and I appreciate that. Thank you.

MS. KUBE: Okay, thank you.

MS. RICHARDSON: Thank you very much.

MS. KUBE: Thank you, Jim.

MS. KUBE: Okay, consent agenda, consent agenda items 11 through 13, one motion.

MS. RICHARDSON: I have one question.

MS. KUBE: Okay, is it a particular one?

MS. RICHARDSON: Yes, it's actually a generic question.

MS. KUBE: Okay.

MS. RICHARDSON: But it is on a specific transaction and it's on Hillside, so can I ask a generic question?

MS. KUBE: Let me take one motion for agenda items 12 and 13, if I can, first. Okay, I need a motion for item 11.

MS. PEARSON: So moved.

MR. ABELAR: Second.

MS. KUBE: Motion by Ms. Pearson, second by Mr. Abelar. Yves, please come up.
MS. RICHARDSON: This company is moving from New York?

MR. AUBOURY: Yes, out of the Bronx.

MS. RICHARDSON: So I know the check for tax compliance in New Jersey, but what about when a company is moving from another state, do we also look at that, do we care? How does that work?

MS. KUBE: I know that we're just collecting clearance through the Treasury.

MS. RICHARDSON: For New Jersey?

MS. KUBE: Yes.

MR. AUBOURY: I want to give you a little heads-up on this company. They were chartered to me six months ago, they went inside, they are crazy about that building, it is Kosher Food New Jersey, they are going to create 14 new jobs in the township. And the guy is really happy about the town, and he likes Hillside because of the highways, 78, 22 and the Parkway, and he cannot wait. And the Chair has an e-mail from him, because we have an issue of taxation, he is spending money to renovate the building, $25,000 is nothing compared to what he's spending to move to New Jersey.

MS. KUBE: Thank you, Yves, thank you.

Okay.
MR. ABELAR: Well we have to vote on number 11.

MS. KUBE: There is a motion, all in favor please signify by saying aye.

MR. ABELAR: What are we voting?

MR. HURD: On 11.

MS. KUBE: On agenda item 11, Hillside.

MR. ABELAR: All right.

MS. KUBE: All in favor please signify by saying aye. Opposed.

MR. ABELAR: I oppose.

MS. KUBE: One opposition by Mr. Abelar.

MR. ABELAR: I don't know the result.

MS. PEARSON: We have to withdraw the motion and start over.

MR. PILLSBURY: No, you can move something for a vote and then vote against it, he can call the question for a vote.

MR. ABELAR: All right.

MS. KUBE: Okay, okay, we're good.

MR. HURD: Yes.

MS. KUBE: Okay, one opposition by Mr. Abelar. Any abstentions?

MS. RICHARDSON: From 11?
MS. KUBE: Yes. So motion carries on agenda item 11. Okay, agenda items 12 and 13 I am going to take as one motion.

MR. HURD: So moved.

MS. PEARSON: Second.

MS. KUBE: So moved by Mr. Hurd, second by Ms. Pearson.

MS. RICHARDSON: Recused.

MS. KUBE: Recusal by Ms. Richardson on the Jersey City contract amendments. 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. Richardson recused)

MS. KUBE: Motion carries. Under old business, do any of the Commissioners have any questions or want to say something?

MS. PEARSON: Just a general comment.

We are all entitled to our opinions on the Board.

MR. ABELAR: I'm sorry?

MS. PEARSON: We're all entitled to our opinions on the Board, and I think we all feel freely enough to go over them, and a lot of them are well founded, well formulated based on what we
believe. But I just want to state for the record that our personal opinions are not necessarily the opinions of the entire Board. So I just wanted to state that for the record.

MS. KUBE: Yes. And Mr. Ed kept me in check here too, he said everyone is entitled to say their opinion once.

MS. PEARSON: Once.

MS. KUBE: Once.

MS. MONTERO: Once per agenda item, right?

MS. KUBE: And am I right?

MR. PILLSBURY: Yes.

MS. KUBE: Any comments from the public?


MS. KUBE: We're under old business. Open to the public. Did you have something you wanted to say?

MR. ABELAR: New business, I can't say it now?

MS. KUBE: Okay.

MR. ABELAR: The television station MSNBC decided to leave Secaucus, New Jersey after
being granted several million dollars in grants, as we do here, and after being given generous loans, as we do here. And MSNBC is leaving 425 jobs, and that is an example why loans below prime and of course grants to business for relocation are a mirage, they don't exist. Business go where business is good, not where public money taxpayers monies are given away. And therefore I want to bring this to the attention--

MS. KUBE: You are heard.

MR. ABELAR:-- to vote for grants and loan.

MS. KOLLURI: Can I? The B program that's a grant that the State has, there was a whole penalty package that was put together, so there are ways if you have grant loan programs there are ways structured so a company can be penalized for leaving the state.

MR. ABELAR: And the B program is based, as I understand it, it is a package that gives a grant based on taxes on unemployment taxes, that is for leaving, that is the nature of the grant, which is quite different of the outright taxpayers money that any person in the private sector cringes, as I do.
MS. KUBE: We know you do.
MR. ABELAR: To provide for profit institutions.
MS. KUBE: Thank you very much. Ms. Richardson?
MS. RICHARDSON: Just a follow-up on the comment, and I really wish I had pulled it out
and had it on top, there is indeed a transaction in this package that anticipates the event of what happens if a company should leave the zone, and it talks about some system of penalties and repayment. So even within this program within the zones they anticipate and they have dealt with it.
MS. KUBE: Yeah, I agree, I think that there are a number of zones that have those penalties.
MR. ABELAR: Just a brief comment.
MS. KUBE: Yes.
MR. ABELAR: I don't agree at all with this business of being competitive with banks, the government is not in the business of being competitive with anybody, banks at this point in which the private sector or the market is flooded with private funds, and that's why the interest rates are so low.
MS. KUBE: Okay. Thank you very much.

Anybody else have any comments? Hearing none.

MR. PILLSBURY: Make sure we completed the public part.

MS. KUBE: Oh, yes, the public part, whoever is left at this point. Does anybody have any comments to make? Cathy.

MS. SHAW: I do. I'm Kathleen Shaw, I'm representing the Borough of Carteret. And these comments are not reflecting the Borough of Carteret's, they're reflecting the last 20 years of my career life working in the private sector trying to make business grow in urban centers of New Jersey. And it is extremely challenging for the private sector to put together the exact mix of marketing, special loans strategies so that these urban centers can grow. So I just want to put that comment in the record, that from a trench woman, and you can put that right in there, because that's where I have worked in the private sector, it is extremely challenging. So I think each zone, I'm newest on the zone, I have only been involved with this for two months, however, I have had my trench years, so I am very seasoned. I think it's incumbent on every zone to put good management
practices together between the governing body and the zone authority to make things happen. That's the challenge to compete with what we're faced with in the surrounding regional area. So I just wanted to put that down for the record.

MS. KUBE: Thank you, Cathy. Any other comments? Okay, hearing none may I have a motion, please.

MR. HURD: So moved.

MS. PEARSON: For what?

MR. HURD: To adjourn.

MS. KUBE: Motion by Mr. Hurd.

MS. PEARSON: Second.

MS. KUBE: Second by Ms. Pearson. All in favor signify by saying aye. Opposed?

(All in favor, no opposed)

(Adjourned at 1:05 p.m.)