

1 NEW JERSEY URBAN ENTERPRISE ZONE AUTHORITY MEETING
2 WEDNESDAY, APRIL 9, 2008
3 MARY ROEBLING BUILDING
4 SECOND FLOOR CONFERENCE ROOM NO. 218
5 TRENTON, NEW JERSEY

6
7 B E F O R E:
8 KEVIN DRENNAN, Chairman
9 AMBAR ABELAR
10 PAUL STRIDICK
11 ELIZABETH LINDSEY
12 LEWIS HURD
13 TANESHIA NASH LAIRD
14 JAMES MANNING
15 PATRICIA BRUCK, DAG
16 JOE NEAL, From the Authority

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1 CHAIRMAN DRENNAN: Notice of this public
2 meeting was sent by way of the Secretary of State
3 to the following newspapers: The Trenton Times,
4 The Trentonian, The Atlantic City Press, The Asbury
5 Park Press and The Bergen Record.

6 Roll-call: Paul Stridick?

7 MR. STRIDICK: Here.

8 CHAIRMAN DRENNAN: Lewis Hurd?

9 (No response.)

10 CHAIRMAN DRENNAN: Elizabeth Lindsey?

11 MS. LINDSEY: Here.

12 CHAIRMAN DRENNAN: Ms. Bruck, our DAG is
13 here.

14 Kevin Drennan, I'm here.

15 Jim Manning.

16 MR. MANNING: Here.

17 CHAIRMAN DRENNAN: Ambar Abelar?

18 MR. ABELAR: Here.

19 CHAIRMAN DRENNAN: Taneshia Nash Laird?

20 MS. LAIRD: Here.

21 CHAIRMAN DRENNAN: And.

22 We have Mr. Joe Neal for Mr. Carey.

23 Moving on to the approval of the minutes
24 of the March 12th meeting, I'll take a motion.

25 MS. LINDSEY: So moved.

1 MR. STRIDICK: Seconded.

2 CHAIRMAN DRENNAN: First by Ms. Lindsey,
3 seconded by Mr. Stridick.

4 Any discussion?

5 Hearing none, all in favor?

6 MR. ABELAR: Aye.

7 MS. LINDSEY: Aye.

8 MR. STRIDICK: Aye.

9 MS. LAIRD: Aye.

10 CHAIRMAN DRENNAN: Aye.

11 MR. MANNING: I will abstain since I
12 wasn't present at that meeting

13 CHAIRMAN DRENNAN: Opposed?

14 (No response.)

15 CHAIRMAN DRENNAN: Motion carried, five,
16 zero, one.

17 Thank you.

18 Moving on to the first item, Camden's
19 request for \$306,750 for the Gateway Office Park.

20 Vince Basara and Jim Harvison.

21 MR. BASARA: Camden is requesting \$306,750
22 in UEZ funds to pay for costs associated with the
23 Gateway Office Park.

24 The funds will be used for exterior
25 improvement to the Public Works building, new

1 fencing, gates and shade trees surrounding the
2 building and also funds will be applied for
3 professional service fees, for the documents that
4 need to be reviewed, construction, inspection and
5 legal fees.

6 And Jim Harveson, the gentleman to my
7 right, will talk about the project a little bit.

8 MR. HARVESON: I don't know where to start
9 with this, this is all part of the approximately one
10 hundred million dollar expansion of the Campbell's
11 world headquarters in Camden.

12 It involves the construction of a new
13 85,000 square foot office building for Campbell
14 along with the creation of an office park zone
15 around the Campbell property.

16 We are in the process of acquiring land
17 for that right now.

18 Campbell's is also acquiring land and
19 improving it.

20 The total build-out of this office park
21 will be approximately 500,000 to 600,000 square feet
22 of Class A office space.

23 This all began approximately a year ago
24 with a project development agreement that was
25 negotiated largely through the Office of Economic

1 Growth, and part of the requirements of that project
2 development agreement was the beautification of some
3 of the City's facilities that are located within the
4 park, primarily, the Public Works building.

5 And the application before you is a result
6 of that project development agreement and the funds
7 to landscape and do some screening around the Public
8 Works building.

9 That should give you an idea of what is
10 going on here.

11 If you have any questions I'll be happy
12 to answer them.

13 CHAIRMAN DRENNAN: I'll entertain a motion.

14 MS. LINDSEY: So moved.

15 MR. MANNING: Seconded.

16 CHAIRMAN DRENNAN: Moved by Ms. Lindsey,
17 seconded by Mr. Manning.

18 Discussion?

19 MR. ABELAR: On the legal services, the
20 legal fees for the legal services, who will receive
21 those?

22 MR. HARVESON: We have received legal fees
23 from the Economic Recovery Board for Camden, we have
24 received these.

25 The legal fees are built into this

1 primarily because almost every project in Camden has
2 a legal aspect to it in that we need to make sure
3 that we have followed all procedures correctly for
4 our redevelopment plans and for development of bid
5 documents and so forth.

6 MR. ABELAR: I understand the project is
7 more, contains more than the 306,000 that you are
8 asking, right?

9 MR. HARVESON: Yes.

10 MR. ABELAR: Are those legal fees for this
11 portion of this project?

12 MR. HARVESON: Correct.

13 CHAIRMAN DRENNAN: That's correct, the UEZ
14 is a small part of a multi-million dollar
15 initiative, and if you have been following it, I
16 don't know if you had the chance to follow it in the
17 press, about some of the legal battles and some of
18 the planning battles relating to Campbell within the
19 City of Camden as to moving forward.

20 A lot of what is going on with the project
21 deal with some of the legal issues in relationship
22 to the entirety of the project.

23 It is a complicated project and this is
24 one cog in the wheel.

25 Mr. Hurd has just joined us.

1 Any further discussion?
2 Hearing none, all in favor?
3 MR. ABELAR: Aye.
4 MS. LINDSEY: Aye.
5 MS. LAIRD: Aye.
6 MS. LINDSEY: Aye
7 MR. MANNING: Aye.
8 CHAIRMAN DRENNAN: Aye.
9 Abstentions?
10 MR. STRIDICK: Abstain.
11 MR. HURD: Abstain.
12 CHAIRMAN DRENNAN: Opposed?
13 (No response.)
14 CHAIRMAN DRENNAN: Motion carried, five,
15 zero, two.
16 Thank you.
17 The next item is Lakewood's request for
18 \$2,396,705 for Downtown Parking Development Phase 2-
19 Property Acquisitions.
20 Ms. Komsa.
21 MS. KOMSA: Lakewood comes before you
22 today for almost 2.4 million dollars for the
23 acquisition of three parcels of land which is within
24 Block 93 which is part of our downtown and the core
25 of our UEZ.

1 They are also part of a proposed
2 redevelopment area, so to acquire them, that would
3 allow us to start the process of moving along and
4 acquiring all of the properties within that block
5 and also provides for temporary parking while we
6 construct a parking garage on our municipal lot.

7 As you can see, we have a downtown parking
8 is review in your packet. We already own one piece
9 of property in that block, with this we would
10 acquire three more.

11 We have another deal on block 16 in the
12 works, and Lots 1 and 3 are also in negotiation and
13 we will be coming back before you for the
14 acquisition of those properties.

15 Any questions?

16 CHAIRMAN DRENNAN: Thank you.

17 First I will take a motion.

18 MR. ABELAR: So moved.

19 CHAIRMAN DRENNAN: First by Mr. Abelar.

20 MS. LINDSEY: Seconded.

21 CHAIRMAN DRENNAN: Seconded by Ms.

22 Lindsey.

23 Just a question: I assume that the parking
24 lot will be charging fees?

25 MS. KOMSA: It is part of a whole separate

1 project that's under review, it is not what is going
2 on here. This is for temporary --

3 CHAIRMAN DRENNAN: Would there be a charge
4 for the temporary parking?

5 MS. KOMSA: We are not currently charging
6 for municipal parking, it is free parking.

7 The parking garage is only for our
8 municipal building lot, so all of our business would
9 have no parking space for our residents when they
10 come in to pay taxes, our office, the Police
11 Department, so it will be shifting one block over
12 and up.

13 CHAIRMAN DRENNAN: What is the plan for
14 the land?

15 MS. KOMSA: Long-term, we are getting ready
16 a redevelopment plan and the long-term is to
17 redevelop the area retail, commercial.

18 CHAIRMAN DRENNAN: So you intend to sell
19 this land?

20 MS. KOMSA: We more than likely will be
21 turning it over.

22 MR. HURD: Is there any reason why these
23 lots, the purchase price is more than the
24 appraisals?

25 MS. KOMSA: These lots came to us, you see

1 the second--when the initial discussions started
2 about the parking garage people started realizing
3 they have a very, very valuable piece of land in
4 downtown Lakewood. We are built out in downtown.
5 So these, we have had two appraisals on each of the
6 properties and those are the going rates.

7 You know, initially we thought the same
8 thing, but this is on target.

9 MR. HURD: You have an appraisal, and the
10 actual purchase price is \$100,000 more than that.

11 MS. KOMSA: From between 750 to 850.

12 MR. HURD: You negotiated that?

13 MSW. KOMSA: They had another buyer, there
14 was another buyer involved and what pushed them to
15 go with us is that we were able to offer them other
16 incentives because we were a municipality purchasing
17 the land.

18 MR. HURD: So there is no other lot
19 available?

20 MS. KOMSA: There are, they are all coming
21 on board now.

22 MR. HURD: At a lower price than this?

23 MS. KOMSA: No.

24 MR. HURD: The need for the extra parking--

25 MS. KOMSA: Is essential.

1 We have now in our downtown, we have
2 probably three to five new buildings going up in the
3 downtown area, there was an Ordinance requiring
4 parking for those buildings, we have a severe
5 parking problem and there is no way out other than
6 acquiring the land, the redevelopment, and to fill
7 in this parking garage on our parking lot in the
8 municipal building.

9 MR. STRIDICK: Can you explain on lot 15,
10 block 93--

11 MS. KOMSA: That is part -- that owner is
12 looking at a land-swap with our municipality for the
13 proposed retail portions in this area.

14 They are actually looking to give us that
15 piece of land, give the Township that piece of land.

16 MR.STRIDICK: What is the projection for
17 lot 15, block 93, will that become parking?

18 MS. KOMSA: That will probably become
19 parking, at this point we are looking at
20 redeveloping, if it doesn't come down, as far as the
21 Township is concerned, the Township may decide to
22 keep that building, that would be up to the Mayor
23 and Council, but as far as 1, 3, 5, 6 and the rear
24 portion of lot 12 that will all be in it.

25 MR.STRIDICK: 1 and 3 on block 93, the

1 appraisals have been completed; have they been
2 purchased, or is that part of a future purchase?

3 MS. KOMSA: Future purchase.

4 MR. STRIDICK: Is there an ultimate plan
5 for the parking activities in Lakewood?

6 MS. KOMSA: For now this will be temporary
7 parking for the garages built and the long-term plan
8 is to go ahead with our redevelopment plan which we
9 are moving forward with now, and the long-term plan
10 will be to see retail, commercial, with thought
11 given to parking.

12 MR. STRIDICK: Does that plan include the
13 purchase, the acquisition costs and demolition
14 costs, I am assuming on block 93; what can we expect
15 in the future?

16 MS. KOMSA: 1 and 3 are projects similar
17 to that.

18 MR. STRIDICK: They are substantially
19 larger, looking at the areas, probably 1.5 times as
20 large as 5, 6 and 12; do you expect that to be like
21 a four million dollar purchase price?

22 It looks like lot 1 is a vacant lot, 3 has
23 improvements.

24 MS. KOMSA: I am without any papers in
25 front of me, but I am going to say we are looking at

1 three, three and-a-half million dollars.

2 MS. LINDSEY: Is the parking lot
3 definitely being to be built, is the financing
4 there?

5 MS. KOMSA: We are in the midst of moving
6 toward how we will finance it. The Township will be
7 building the parking garage, and as I said, the
8 proposed retail would be from the land-swap with the
9 private owner on lot 13, so we are hoping to do both
10 projects at the same time, that way it shortens the
11 amount of time we well be in that area.

12 MS. LINDSEY: If something happens with
13 the parking garage then you will just acquire the
14 properties?

15 MS. KOMSA: The thought is you can't go
16 wrong with land and if we had to turn it over we
17 could sell it.

18 CHAIRMAN DRENNAN: On that note, if you
19 have cleared this land for a parking lot,
20 potentially it is good land, and with this new
21 development that's happening I would assume that it
22 would substantially increase the value of that land
23 if somebody wants to develop on it because they are
24 not going to have to deal with demolition, and those
25 funds would go back to the UEZ in the second

1 generation.

2 MS. KOMSA: Anything that we acquire and
3 had to sell we obviously would come back with the
4 second generation funds.

5 CHAIRMAN DRENNAN: In some respects, and I
6 don't know if I speak for the entire Board, but
7 certainly the municipality making the purchase and
8 then doing the demolition and creating vacant
9 available fairly substantial sized land that is not
10 then given away, it is going to be attractive
11 because the municipality has cleared it.

12 MS. KOMSA: The long and short of it is we
13 are still looking at it as a redevelopment area so
14 it will still be a redevelopment area, one way or
15 other.

16 MS. LINDSEY: I have another question.

17 Do you know if Lakewood has considered
18 doing some kind parking shuttle with buses?

19 MS. KOMSA: We just finished a parking
20 study in the Township, and given our residences and
21 demographics, the people do not want to have a bus
22 shuttled in from outside the location.

23 There has been in the community a lot of
24 willingness and openness for a parking garage right
25 there in downtown, rather than three or four blocks

1 out of downtown and being shuttled in.

2 MR. STRIDICK:: What was the bottom line
3 of that parking need assessment, in other words --

4 MS. KOMSA: The bottom line was, we are
5 out of space and there needs to be something
6 obviously constructed, basically a parking garage or
7 a parking lot, in order to accommodate the influx of
8 people and the amount of business, with office
9 complexes going up in the downtown area, they don't
10 have adequate parking.

11 MR. STRIDICK: Would you be able to share
12 that with us, just because from time to time when
13 this Board reviews matters parking always seems to
14 be a kind of common denominator, and I think that
15 might be a good common denominator to have in my
16 hear when I review this.

17 MS. KOMSA: Okay.

18 MR. STRIDICK: With regard to site number
19 3, block 93, I notice it is a dry cleaner; are there
20 any environmental aspects to that?

21 MS. KOMSA: That is something we are
22 considering and we are aware of it, about the dry
23 cleaner.

24 We anticipate that there will be or could
25 be something with the DEP; we have not moved that

1 far yet.

2 MR. STRIDICK: You may want to bring that
3 to the DEP's attention, Brown Fields--

4 MR. HURD: They are using other funds or
5 whatever, so I am just curious how that works.

6 CHAIRMAN DRENNAN: You mean because it is
7 a municipality?

8 MR. HURD: Yes.

9 CHAIRMAN DRENNAN: The criteria of a 20
10 percent match is for specific services.

11 MS. BRUCK: It is defined in the statute,
12 municipal services, which are Fire, Police,
13 apparatus, cost of operation, it is kind of a
14 municipal function that is permitted to be funded by
15 UEZ municipality-wise in terms of their obligations.

16 But certainly the UEZ can acquire property
17 for economic development without any match required.

18 MR. NEAL: So the record is clear, may I
19 ask, does Lakewood have a Master Plan?

20 Because I am hearing what was proposed and
21 anticipated.

22 MS. KOMSA: Yes, we do have a Master plan,
23 I believe it's now complete, I have not seen it come
24 into my office yet but I know it is being worked
25 upon.

1 MR. NEAL: okay.

2 MR. STRIDICK: Building upon that, does
3 this fit in with those pieces?

4 MS. KOMSA: Yes, parking has been part of
5 the Master Plan for a long time.

6 Now we finally have some support where we
7 have no excuse but to solve the problem and move
8 quickly because there are other investors now,
9 realizing once this is developed, we have people
10 clearly hounding those sellers, offering a hundred
11 thousand dollars more, this, that, trying to pick
12 up the property because they know what is coming.

13 MR. STRIDICK: And that proposed parking
14 garage, what is the time-line for that and will that
15 satisfy the need for parking spaces?

16 MS. KOMSA: I would say the time-line is
17 two years and we are looking at I believe 530
18 spaces.

19 CHAIRMAN DRENNAN: In the parking garage?

20 MS. KOMSA: Yes, and that may even
21 increase, we are now looking at stretching the
22 parking garage over the top of another building and
23 continuing back into some other lot, if it would be
24 more cost effective to do it now rather than try to
25 add on later.

1 MR. MANNING: I know 525 is an estimate
2 but how many other spaces would be needed for the
3 functions of the Municipal Building?

4 MS. KOMSA: The last thought was municipal
5 employees and Police Officers down in the basement
6 of the garage leaving the rest for the Municipal
7 Building and downtown --

8 CHAIRMAN DRENNAN: You mean the municipal
9 building employees?

10 MS. KOMSA: Municipal employees and Police
11 vehicles in the lower level.

12 CHAIRMAN DRENNAN: You are looking at
13 about 120?

14 MS. KOMSA: I would say about 135 roughly,
15 offhand.

16 MR. MANNING: 405 would be available to
17 the public for shopping?

18 MS. LAIRD: Was there a demand analysis?

19 MS. KOMSA: There was, the retailers,
20 that we are selling block 15, yes, there was, I
21 believe there was an assessment done by the
22 retailers that want to do the swap.

23 As it is right now, if something should
24 open up in the downtown area it is gone before you
25 know it. People stopped sending, landlords and

1 developers stopped sending us open space
2 availability because by the time they faxed it, it
3 was gone. There is a heavy demand for downtown.

4 CHAIRMAN DRENNAN: There is a municipal
5 parking lot on here, on Lot 5.

6 MS. KOMSA: Yes, that is a current small
7 lot, maybe 50, 70 spots.

8 CHAIRMAN DRENNAN: And that will be
9 maintained as a municipal parking lot?

10 MS. KOMSA: As of right now now yes.

11 CHAIRMAN DRENNAN: Where are the 120 cars,
12 you have 50 to 70 here, parcel 5, and then you have
13 120 cars going in on the first level here.

14 How many cars are there now?

15 MS. KOMSA: About 125 spots that.

16 CHAIRMAN DRENNAN: Right now?

17 MS. KOMSA: Right now.

18 MR. STRIDICK: What are the dates of the
19 appraisals for the properties?

20 MS. KOMSA: January 2008 is one of them,
21 and some in 2007, they are all fairly recently.

22 CHAIRMAN DRENNAN: Any further discussion?

23 Hearing none, I'll take a vote.

24 MR. ABELAR: Aye.

25 MS. LINDSEY: Aye.

1 MR. STRIDICK: Aye.

2 MS. LAIRD: Aye.

3 MR. HURD: Aye.

4 MR. MANNING: Aye.

5 CHAIRMAN DRENNAN: Aye.

6 Abstentions?

7 (No response.)

8 CHAIRMAN DRENNAN: Opposed?

9 (No response.)

10 CHAIRMAN DRENNAN: Motion carried.

11 Thank you.

12 Next is Mount Holly's Second Generation
13 Fund request for \$108,800 for Economic Development
14 Loan-Sea-Lect Wholesale Seafood.

15 Kevin Mizikar.

16 MR. MIZIKAR: Mount Holly is requesting
17 \$108,800 of second generation funding to be provided
18 for an economic development loan to Sea-Lect
19 Seafood.

20 The loan will be at an interest rate of
21 seven and-a-half percent and will be paid within
22 eighty-four monthly equal payments.

23 The total funding request for the second
24 generation funds makes up about 73.5 percent of the
25 total project.

1 The funding will be used for the business
2 to install a bar code weigh and label system and
3 also for the installation of Data Management
4 software throughout.

5 The company is a seafood wholesaler, as
6 the name suggests, and they maintain tracking of
7 their inventory and turn-over within the appropriate
8 guidelines of the Federal government.

9 They do have fifty-five total employees
10 which makes it one of Mount Holly's largest private
11 businesses, so this will help the business and
12 maintain their jobs and their operation.

13 CHAIRMAN DRENNAN: I'll take a motion.

14 MR. STRIDICK: So moved?

15 MR. HURD: Seconded.

16 CHAIRMAN DRENNAN: First by Mr. Stridick,
17 seconded by Mr. Hurd.

18 Discussion?

19 MS. BRUCK: Is this for working capital.

20 MR. MIZIKAR: No, it is for the purchase of
21 the bar code and weigh label system and software.

22 MS. LINDSEY: I have a question.

23 On the second generation fund request, I
24 think there is a typo, it says that the total second
25 generation funds is 100,000 and the total available

1 funds is 914,000?

2 CHAIRMAN DRENNAN: Okay.

3 Any further discussion?

4 Hearing none, all in favor?

5 MR. ABELAR: Aye.

6 MR. STRIDICK: Aye.

7 MS. LAIRD: Aye.

8 MR. HURD: Aye.

9 MS. LINDSEY: Aye

10 MR. MANNING: Aye.

11 CHAIRMAN DRENNAN: Aye.

12 Abstentions?

13 (No response.)

14 CHAIRMAN DRENNAN: Opposed?

15 (No response.)

16 CHAIRMAN DRENNAN: Motion carried.

17 Thank you.

18 The next item is Orange's request for

19 \$470,747 for Litter Collection Services Phase V

20 Martyu Mayes.

21 MR. MAYES: This is a request for \$470,747

22 to fund our litter collection services. It will

23 fund some ten employees. Those employees will work

24 Saturdays, they will work off hours that our regular

25 Public Works employees would not be working.

1 The project really hasn't changed over the
2 last five years.

3 Just thinking about the future, though,
4 Orange has just become a Main Street Municipality,
5 and in addition to that we have received the
6 challenge grant out of DCA so we are studying the
7 feasibility of becoming an Improvement District, so
8 the project may change next year because the City
9 realizes that this is a huge portion of our UEZ
10 funds going into this effort.

11 CHAIRMAN DRENNAN: Thank you.

12 I'll take a motion.

13 MR. MANNING: so moved.

14 MR. HURD: Seconded.

15 CHAIRMAN DRENNAN: Any discussion?

16 MR. ABELAR: You say you have just been
17 designated at what?

18 MR. MAYES: We have just been designated a
19 Main Street Municipality; what it is is it is a
20 designation that provides technical service to your
21 businesses in your downtown.

22 And in addition to that we are also
23 studying the feasibility of becoming an Improvement
24 District. Those are like the two things we have in
25 our downtown area.

1 Like I said the standard is, it's what we
2 normally do, looking at the money that we do have,
3 we are starting to recognize that this is a lot of
4 UEZ funds so in the next year hopefully we will be
5 coming back with less funds based on this project.

6 That's as as businesses contribute?

7 MR. MAYES: Yes.

8 MR. ABELAR: I think one of the things you
9 should look at is subcontracting this cleaning.

10 MR. MAYES: That's a possibility that we
11 talked about as well.

12 MR. STRIDICK: But I do appreciate the
13 fact that those employees receive some benefits
14 across-the-board.

15 MR. MAYES: Yes.

16 One of the things with the services,
17 those guys, they are making a decent wage with the
18 benefits.

19 CHAIRMAN DRENNAN: Hearing no further
20 discussion, all in favor?

21 MR. ABELAR: Aye.

22 MR. STRIDICK: Aye.

23 MS. LAIRD: Aye.

24 MR. HURD: Aye.

25 MS. LINDSEY: Aye

1 MR. MANNING: Aye.

2 CHAIRMAN DRENNAN: Aye.

3 Abstentions?

4 (No response.)

5 CHAIRMAN DRENNAN: Opposed?

6 (No response.)

7 CHAIRMAN DRENNAN: Motion carried.

8 Next up is Passaic's Contract Amendment
9 request for \$336,585 for Market Street
10 Reconstruction, UEZA 07-155, increasing the project
11 from \$1,463,300 to \$1,799,885, which is a 23 percent
12 increase.

13 Glen Carter.

14 MR. CARTER: Eleven months ago you were
15 kind enough to approve the project to reconstruct
16 Market Street.

17 Within that time we retained an engineer
18 to design it, and the engineer, he came up with a
19 formal design with a significantly higher cost
20 estimate for the project.

21 Apparently the prices for things like
22 asphalt went up significantly and for construction
23 equipment. Apparently this kind of project has a
24 substantial, increase reflected in the formal design
25 of the project.

1 CHAIRMAN DRENNAN: Thank you.

2 I will take a motion.

3 MR. ABELAR: So moved.

4 MR. STRIDICK: Seconded.

5 CHAIRMAN DRENNAN: First by Mr. Abelar,
6 second by Mr. Stridick.

7 Discussion?

8 MR. STRIDICK: The original estimate was
9 1.464 and the new estimate which is 2.121, but yet
10 the increase doesn't kind of equal the new estimate
11 and I was just wondering about the variable there.

12 MR. CARTER: New Jersey DOT.

13 MR. STRIDICK: They are making up the
14 difference?

15 MR. CARTER: Yes.

16 MR. STRIDICK: Thank you.

17 CHAIRMAN DRENNAN: Any further discussion?
18 Hearing none, all in favor?

19 MR. ABELAR: Aye.

20 MS. LINDSEY: Aye.

21 MR. STRIDICK: Aye.

22 MS. LAIRD: Aye.

23 MR. HURD: Aye.

24 MR. MANNING: Aye.

25 CHAIRMAN DRENNAN: Aye.

1 Abstentions?

2 (No response.)

3 CHAIRMAN DRENNAN: Opposed?

4 (No response.)

5 CHAIRMAN DRENNAN: Motion carried.

6 Next we have Phillipsburg's request for
7 \$25,000 for First Generation Funds and \$50,000 for
8 Second Generation Funds for Bittone Equipment
9 Services.

10 Mark Portnoy.

11 MR. PORTNOY: We are here for a \$25,000
12 grant and a \$50,000 second generation loan for a
13 really extensive renovation on strategically located
14 property in our UEZ.

15 Bittone Equipment Service is an operating
16 company out in Alpha, New Jersey, outside of
17 Phillipsburg and well known to our community.

18 They primarily do overseas sales of heavy
19 equipment; they will be expanding that operation
20 into Phillipsburg with this.

21 I say it is strategically located because
22 it is adjacent to our redevelopment area at a point
23 there, a new road will be constructed through that
24 land that is also adjacent to this property through
25 a loan from the New Jersey EDI and a five hundred

1 thousand dollar grant from the Department of Housing
2 and Urban Development.

3 This particular project will benefit the
4 community greatly in that it will increase the
5 rateables by improving the deteriorating property as
6 well as creating fourteen new jobs and new
7 businesses all operated by Bittone on property
8 that's been vacant for approximately two years now.

9 So we are asking your support in helping
10 us to fund this project and make it economically
11 feasible.

12 We will be taking a mortgage on this
13 property as well.

14 MR. ABELAR: I'm sorry?

15 MR. PORTNOY: We will be taking a second
16 mortgage on the building on the property as part of
17 the loan collateral as well as personal guarantees
18 from the principals of the company.

19 CHAIRMAN DRENNAN: Any further discussion?

20 MR. ABELAR: The loan is for the outside,
21 to repair the outside?

22 MR. PORTNOY: Both the loan and the grant
23 are for the exterior improvements of the property.

24 The interior improvements would need a
25 similar amount, an additional 300,000, but that is

1 strictly the responsibility of Bittone Equipment
2 Services.

3 MR. STRIDICK: You said there are fourteen
4 jobs and the application says fourteen jobs. Are
5 they all new jobs, there are no management jobs
6 being sent overseas, there will be fourteen new
7 people working at this facility?

8 MR. PORTNOW: Fourteen new jobs, yes.

9 CHAIRMAN DRENNAN: Hearing no further
10 discussion, all in favor?

11 MR. ABELAR: Aye.

12 MS. LINDSEY: Aye.

13 MR. STRIDICK: Aye.

14 MS. LAIRD: Aye.

15 MR. HURD: Aye.

16 MR. MANNING: Aye.

17 CHAIRMAN DRENNAN: Aye.

18 Abstentions?

19 (No response.)

20 CHAIRMAN DRENNAN: Opposed?

21 (No response.)

22 CHAIRMAN DRENNAN: Motion carried.

23 Next is Union City's request for \$336,960
24 for Renewal of Litter Clean-Up Project-Year 11.

25 Juan Carlos.

1 MR. CARLOS: This is a request for the
2 renewal of the liter clean-up project for \$336,960.

3 As you may all know, Union City is one of
4 the most densely populated cities in the United
5 States.

6 We have officially a population of nearly
7 70,000 residents and unofficially probably in the
8 ballpark of 80 to 90 thousand residents.

9 As you can imagine, that translates into
10 high pedestrian traffic, especially through our
11 commercial district.

12 I think it is one of the reasons why we
13 have so much vitality along our main streets and
14 throughout the UEZ zone.

15 And keeping our streets and sidewalks
16 clean is vital to promoting a positive shopping
17 environment, it is conducive towards safety, and we
18 feel that this is a very important project to keep
19 going.

20 CHAIRMAN DRENNAN: I'll take a motion.

21 MR. MANNING: So moved.

22 MR. HURD: Seconded.

23 CHAIRMAN DRENNAN: First by Mr. Mannng,
24 seconded by Mr. Hurd.

25 Discussion?

1 MR. STRIDICK: What is the actual wage
2 that a worker will obtain? I note it is being
3 outsourced.

4 MR. CARLOS: Yes.

5 Atlantic Maintenance, I believe it's for
6 nine employees and one supervisor, all of which are
7 hired full time and it includes benefits.

8 Exactly how much they are getting I don't
9 know but I can find that out.

10 CHAIRMAN DRENNAN: On page 9 it says
11 eleven dollars an hour for sweepers plus benefits.

12 MR. STRIDICK: With the benefits, that is
13 kind of through the local, through the union, I was
14 just wondering what do those benefits include.

15 MR. CARLOS: I know it includes full health
16 benefits because they are all full-time employees,
17 they all work forty hours.

18 CHAIRMAN DRENNAN: But in the breakdown
19 here for salaries, it is eleven and fourteen, is
20 that subsidized by the union, or is that subsidized
21 by the wages, the wages are actually eleven dollars
22 per hour?

23 MR. CAROS: As far as what portion goes
24 toward salary and how that is broken down I am not
25 sure.

1 MR. STRIDICK: They do get health benefits?

2 MR. CARLOS: Yes.

3 MR. ABELAR: If I may add, I think one of
4 the requirements is that it complies with the
5 predominant wage published by the Department of
6 Labor.

7 As to the predominant wage, it has to
8 comply with that.

9 MR. STRIDICK: Just working through the
10 math here, it says eleven dollars an hour, which is
11 okay, times eight hours a day, which is okay, times
12 nine sweepers, times 365 days.

13 So to get that to work, we had that
14 question before, because if that's the case then
15 they are working well over forty hours per week, but
16 we always said that that is kind of distributed
17 throughout the week.

18 I was trying to get the math that's
19 presented compared to what the real wage working
20 forty hours a week as well as the benefits cost as
21 well as the cost that Atlantic Maintenance will be
22 taking out of eleven dollars, I was curious what is
23 the bottom line that an employee actually gets paid.

24 The benefits would be dovetailed into
25 that.

1 MS. LINDSEY: Could you ask them to give us
2 a clarification?

3 CHAIRMAN DRENNAN: Could you do that for
4 us?

5 MR. CARLOS: Sure.

6 CHAIRMAN DRENNAN: Just follow-up with
7 Kathie.

8 MR. CARLOS: Absolutely.

9 CHAIRMAN DRENNAN: Any further discussion?
10 Hearing no further discussion, with that
11 condition, I'll take a vote.

12 MS. BRUCK: Is that a condition, or is
13 that just something that you would like a follow up
14 on?

15 MS. LINDSEY: Can you explain to me what a
16 condition is?

17 MS. BRUCK: Based upon information provided
18 to the Board.

19 MR. CARLOS: All right.

20 CHAIRMAN DRENNAN: Meaning that the money
21 would not be distributed before we get that
22 information, with that caveat.

23 Again, basically, Juan has committed to
24 getting the information to the UEZ Authority to
25 clarify how the wage and fringe benefits break down,

1 to be given to the Board for these jobs relating to
2 the clean-up project.

3 I will take a vote.

4 All in favor?

5 MR. ABELAR: Aye.

6 MR. STRIDICK: Aye.

7 MS. LAIRD: Aye.

8 MR. HURD: Aye.

9 MS. LINDSEY: Aye

10 MR. MANNING: Aye.

11 CHAIRMAN DRENNAN: Aye.

12 Abstentions?

13 (No response.)

14 CHAIRMAN DRENNAN: Opposed?

15 (No response.)

16 CHAIRMAN DRENNAN: Motion carried.

17 Next up we have Vineland's four requests.

18 The first up is for five million dollars

19 for an Economic Development Loan to Omni Baking

20 Company, a New Jersey Partnership.

21 Jim Lelli.

22 MR. LELLI: Omni Baking is a partnership

23 of several bakeries has come together, this is a

24 business expansion loan for them --

25 And they have added a whole new line of

1 baking equipment. The total project is for
2 eighteen million dollars.

3 Brown Brothers Harriman is going to
4 provide them with a tax exempt bond issue for the
5 first ten million.

6 Vineland will provide them with five
7 million for the second part of the loan and the
8 owners are coming up with the other three million
9 dollars.

10 This project will also include creation
11 of one hundred fifty more jobs, in addition to one
12 hundred eighty we already have there.

13 They produce bread and products throughout
14 twenty-four hour shifts, I think they close down on
15 Saturday morning to wash the place down and then
16 fire it up again.

17 This, the bread operation is during the
18 daytime, baking the fresh bread for the market is
19 during the nighttime, and I can tell you that the
20 bread that you're going to eat at the Wa-Wa Stores
21 is where all this bread is going, so make sure you
22 stop at the Wa-Wa, we need the business to help them
23 keep going

24 Any further questions, I will be happy to
25 answer them if I can.

1 CHAIRMAN DRENNAN: Thank you.

2 I'll take a motion.

3 MS. LINDSEY: So moved.

4 MR. STRIDICK: Seconded.

5 CHAIRMAN DRENNAN: Discussion?

6 MS. LINDSEY: I guess I didn't see such
7 large loans coming out of first generation accounts.

8 MR. LELLI: That's the only place it can
9 come from, so the Board approved a loan, the last
10 time we had to take it out of our second generation
11 funds.

12 CHAIRMAN DRENNAN: This is the creation of
13 140 to 160 jobs, are they working with the EDA or
14 anything?

15 MR. LELLI: They work with Work Force
16 Development. They use it all the time, customized
17 training.

18 CHAIRMAN DRENNAN: Will there be EDA
19 funding as well?

20 MR. LELLI: Yes, the first part of the loan
21 is through EDA and the tax exempt bond issue,
22 Brown Brothers Harriman, they do not resell the
23 bond issue in the market, they keep it in their own
24 portfolio.

25 MS. LINDSEY: I don't understand why the

1 first generation--

2 MR. LINDSEY: Had we taken both out of the
3 first generation we would not have had enough money
4 to do it so we had to switch them around.

5 MR. STRIDICK: How much is in your second
6 generation funds?

7 MR. LELLI: Probably \$700,000 or \$800,000
8 but we have a twenty-five million-dollar line of
9 credit with the bank to draw down to complete the
10 project as our back-up, we found out because you
11 have to have the money available and because the
12 projects take so long to close, especially the big
13 ones, we pledged our loan collateral for our line of
14 credit so there is nothing outstanding on our line
15 of credit right now, we have twenty-five million.

16 MR. ABELAR: Do you know how much the
17 interest is?

18 MR. LELLI: Brown Brothers Harriman, they
19 closed the bond issue, but I don't know what it was,
20 probably around four point something or five, given
21 the market fees these days.

22 Brown Brothers, which is specifically a
23 company that specializes in tax exempt bond issues
24 and it holds it in their own portfolio so they don't
25 have to worry about reselling them in the market at

1 an even higher interest rate.

2 It is a partnership, by the way, Brown
3 Brothers, and they have been around since 1870, it
4 is a great firm to work with, I use them when I
5 can, they have staff to help us.

6 I think overall it will be five percent.

7 MR. ABELAR: Is that in line with the PNC?

8 MR. LELLI: Yes.

9 CHAIRMAN DRENNAN: I just have a
10 notation.

11 There are a lot of applications that we
12 see, but 140, 150 new jobs is significant. This is
13 a great opportunity, this is significant both for
14 the program and for the State of New Jersey.

15 Any further discussion?

16 Hearing none, all in favor?

17 MR. ABELAR: Aye.

18 MR. STRIDICK: Aye.

19 MS. LAIRD: Aye.

20 MR. HURD: Aye.

21 MS. LINDSEY: Aye

22 MR. MANNING: Aye.

23 CHAIRMAN DRENNAN: Aye.

24 Abstentions?

25 (No response.)

1 CHAIRMAN DRENNAN: Opposed?

2 (No response.)

3 CHAIRMAN DRENNAN: Motion carried.

4 The next item is \$168,750 for Second
5 Generation Funds for Economic Development Loan to
6 Roy Greenblatt .

7 MR. LELLI: Okay.

8 Roy Greenblatt is an automobile dealer in
9 Vineland, a new and used automobile dealership in
10 Vineland, and this is to enhance his operation by
11 adding financing for a lube and car-wash which is
12 located obviously next to his existing car
13 dealership.

14 So this is an extension of a loan to this
15 company. It has been a very successful company and
16 one of the things we specialize in is the ability to
17 help our existing businesses expand in Vineland.

18 Two-thirds of our loans in Vineland are
19 for local businesses that are expanding; that's the
20 way it has been working out.

21 I will be happy to answer any questions
22 about this.

23 CHAIRMAN DRENNAN: I'll take a motion.

24 MR. STRIDICK: So moved.

25 MR. ABELAR: Seconded.

1 CHAIRMAN DRENNAN: First by Mr. Stridick,
2 seconded by Mr. Abelar.

3 Discussion?

4 MS. LINDSEY: I have a question.

5 The resolution of this application is to
6 him and not to his corporation. I was just
7 wondering why the loan is not to the corporation; is
8 that because of a personal guarantee?

9 MR. LELLI: We have his personal guarantee,
10 we will be making the loan to Roy Greenblatt and he
11 will lease the facility to the corporation; it's the
12 accountant's way of setting up and minimizing his
13 tax exposure for his business.

14 CHAIRMAN DRENNAN: Any further discussion?

15 MS. BRUCK: I have a caveat.

16 I just want to make sure that somebody is
17 looking into whether prevailing wages have to be
18 paid in connection with this project. I am not
19 asking for an answer, I just want to--

20 MR. LELLI: I understand.

21 We are very well aware of it and as the
22 Board requires, the contracts have that specific
23 notice about the prevailing wages.

24 We try our best to make everybody aware
25 of that.

1 CHAIRMAN DRENNAN: Any further discussion?

2 Hearing none, all in favor?

3 MR. ABELAR: Aye.

4 MR. STRIDICK: Aye.

5 MS. LAIRD: Aye.

6 MR. HURD: Aye.

7 MS. LINDSEY: Aye

8 MR. MANNING: Aye.

9 CHAIRMAN DRENNAN: Aye.

10 Abstentions?

11 (No response.)

12 CHAIRMAN DRENNAN: Opposed?

13 (No response.).

14 CHAIRMAN DRENNAN: Motion carried.

15 The next item is \$120,000 for Second

16 Generation Funds for Economic Development Loan to

17 M&G Associates, LLC.

18 MR. LELLI: This is a company that installs

19 fire alarm and sprinkler systems in commercial

20 buildings.

21 This has been a local business and they

22 have been in our first Industrial Park for a number

23 of years and they are undergoing an expansion.

24 The property is big enough for them to

25 take their existing building and lease it out to a,

1 I think it is an electrical supply firm, and they in
2 turn built a new more efficient building for
3 themselves to produce sprinkler systems for their
4 customers.

5 The total amount of this project is
6 \$400,000, Susquahanna Bank is the primary lender of
7 240, we are the secondary lender of 120, and the
8 Borough is contributing 40,000 as equity.

9 CHAIRMAN DRENNAN: Thank you.

10 I'll take a motion.

11 MR. HURD: So moved.

12 MR. MANNING: Seconded.

13 CHAIRMAN DRENNAN: First by Mr. Hurd,
14 second by Mr. Manning.

15 Any discussion?

16 Hearing none, all in favor?

17 MR. ABELAR: Aye.

18 MR. STRIDICK: Aye.

19 MS. LAIRD: Aye.

20 MR. HURD: Aye.

21 MS. LINDSEY: Aye

22 MR. MANNING: Aye.

23 CHAIRMAN DRENNAN: Aye.

24 Abstentions?

25 (No response.)

1 CHAIRMAN DRENNAN: Opposed?

2 (No response.)

3 CHAIRMAN DRENNAN: Motion carried.

4 Next is \$50,850 for Second Generation

5 Funds for Economic Development Loan to John A.

6 Michael Realty Co., Inc.

7 MR. LELLI: This is part of our downtown
8 improvement, facade improvement program.

9 John A. Michael Realty is the second
10 generation of a family that started out on 6th and
11 Landis. They have a facade improvement loan.

12 This will be for interior improvements
13 which will be a loan, the total of the UEZ loan is
14 50,850. This will include electric, plumbing,
15 insulation and reworking the inside of this
16 building.

17 I'm very happy with the participation in
18 this program and this is just another step in the
19 way downtown Vineland is coming along.

20 CHAIRMAN DRENNAN: I'll take a motion.

21 MS. LINDSEY: So moved.

22 MR. ABELAR: Seconded.

23 CHAIRMAN DRENNAN: First by Ms. Lindsey
24 and seconded by Mr. Abelar.

25 Any discussion?

1 MR. ABELAR: Is this, it seems like this
2 is a facade improvement program, I mean for the
3 plumbing and electrical, there is a problem.

4 MR. LELLI: The facade improvement is a
5 separate grant for the outside of the building.

6 In addition we have offered them a loan to
7 fix up the interior of the building so as to
8 modernize the inside of the building also.

9 It is part of facade improvement program
10 but they are two separate loan projects.

11 CHAIRMAN DRENNAN: Thank you.

12 Hearing no further discussion, all in
13 favor?

14 MR. ABELAR: Aye.

15 MR. STRIDICK: Aye.

16 MS. LAIRD: Aye.

17 MR. HURD: Aye.

18 MS. LINDSEY: Aye

19 MR. MANNING: Aye.

20 CHAIRMAN DRENNAN: Aye.

21 Abstentions?

22 (No response.)

23 CHAIRMAN DRENNAN: Opposed?

24 (No response.)

25 CHAIRMAN DRENNAN: Motion carried.

1 West New York's contract amendment request
2 for \$30,000 for UEZ General Maintenance, Phase 2,
3 UEZA 07-122, increasing the project from \$150,000 to
4 \$180,000, which is a 20 percent increase

5 Oscar Miqueli.

6 MR. MIQUELI: As we have stated in the
7 contract amendment the monies are needed to finish
8 the project. This building has had repeated
9 vandalism, so we need another \$30,000 to complete
10 that project.

11 CHAIRMAN DRENNAN: I'll take a motion.

12 MS. LAIRD: So moved.

13 MR. STRIDICK: Seconded.

14 CHAIRMAN DRENNAN: First by Ms. Laird,
15 seconded by Mr. Stridick.

16 Any discussion?

17 Hearing none, all in favor?

18 MR. ABELAR: Aye.

19 MR. STRIDICK: Aye.

20 MS. LAIRD: Aye.

21 MR. HURD: Aye.

22 MS. LINDSEY: Aye

23 MR. MANNING: Aye.

24 CHAIRMAN DRENNAN: Aye.

25 Abstentions?

1 (No response.)

2 CHAIRMAN DRENNAN: Opposed?

3 (No response.)

4 CHAIRMAN DRENNAN: Motion carried.

5 The next items are consent agenda, items
6 13, 14 and 15. We can take them in one motion.

7 MR. STRIDICK: I would like to, can I vote
8 on the entire package except for Camden UEZA 07-150
9 extension?

10 CHAIRMAN DRENNAN: We will take that one
11 separately, I will take that out.

12 I'll take a motion for 13, 14 and 15 minus
13 Camden UEZA 07-150, extension.

14 MR. STRIDICK: So moved.

15 CHAIRMAN DRENNAN: First by Mr. Stridick.

16 MR. HURD: Seconded.

17 CHAIRMAN DRENNAN: Seconded by Mr. Hurd.

18 Any discussion?

19 Hearing none, all in favor?

20 MR. ABELAR: Aye.

21 MR. STRIDICK: Aye.

22 MS. LAIRD: Aye.

23 MR. HURD: Aye.

24 MS. LINDSEY: Aye

25 MR. MANNING: Aye.

1 CHAIRMAN DRENNAN: Aye.
2 Abstentions?
3 (No response.)
4 CHAIRMAN DRENNAN: Opposed?
5 (No response.)
6 CHAIRMAN DRENNAN: Motion carried.
7 Now I need a motion on Camden's UEZA
8 07-150 extension.
9 MR. HURD: So moved.
10 MR. MANNING: Seconded.
11 CHAIRMAN DRENNAN: First by Mr. Hurd,
12 second by Mr. Manning.
13 Any discussion?
14 Hearing none, all in favor?
15 MR. ABELAR: Aye.
16 MS. LAIRD: Aye.
17 MR. HURD: Aye.
18 MS. LINDSEY: Aye
19 MR. MANNING: Aye.
20 CHAIRMAN DRENNAN: Aye.
21 Abstentions?
22 MR. STRIDICK: Abstain
23 CHAIRMAN DRENNAN: Opposed?
24 (No response.)
25

1 MS. BRUCK: Would you state your reason for
2 separating Camden UEZA 07-150?

3 MR. STRIDICK: My fear of involvement in
4 including all those projects, or a number of these
5 projects, not all of these things can possibly come
6 from UEZ, the Gateway project.

7 CHAIRMAN DRENNAN: Is there any other
8 business to come before the Board?

9 MR. ABELAR: I just have a question.
10 We are doing all those grants and loans
11 but that the ultimate recipient seeking the loan
12 will not assign the right to receive that loan to a
13 another person, a third person; that's a concern I
14 have, that sometimes those seeking a loan will
15 assign the right.

16 I assume that the person who applies in
17 the application is the person who will ultimately
18 receive the loan.

19 CHAIRMAN DRENNAN: They will receive the
20 loan from us, what is approved here.

21 MS. BRUCK: We had this issue with Vineland
22 while they were putting it in their resolution and
23 they took that language out, so they have to abide
24 by that.

25 Is there some other situation that you

1 aware of?

2 MR. ABELAR: No, generally, I don't have
3 any particular concern, but that is something that
4 occurred to me that may happen.

5 CHAIRMAN DRENNAN: Any discussion from the
6 public?

7 Hearing none, I'll take a motion to
8 adjourn.

9 MR. STRIDICK: So moved.

10 MR. HURD: Seconded.

11 CHAIRMAN DRENNAN: First by Mr. Stridick,
12 seconded by Mr. Hurd.

13 All in favor?

14 MR. ABELAR: Aye.

15 MR. STRIDICK: Aye.

16 MS. LAIRD: Aye.

17 MR. HURD: Aye.

18 MS. LINDSEY: Aye

19 MR. MANNING: Aye.

20 CHAIRMAN DRENNAN: Aye.

21 Abstentions?

22 (No response.)

23 CHAIRMAN DRENNAN: Opposed?

24 (No response.)

25 CHAIRMAN DRENNAN: Motion carried.

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(Adjourned.)

C E R T I F I C A T E

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2

I, William Sokol, Certified Shorthand

3

Reporter of the State of New Jersey, License No.

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30X100030700, and Notary Public of the State of New

5

Jersey, do hereby certify that the foregoing is a

6

verbatim record of the testimony provided under oath

7

before any Court, Referee, Commission or other body

8

created by statute of the State of New Jersey.

9

I am not related to any parties involved in

10

this action; I have no financial interest nor am I

11

related to an agent of or employed by anyone with a

12

financial interest in the outcome in which this

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transcript was taken; and furthermore, that I am not

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a relative or employee of any attorney or counsel

15

employed by the parties hereto or financially

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interested in the action.

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WILLIAM SOKOL

21

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Certified Shorthand Reporter

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and Notary Public

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