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7 NEW JERSEY URBAN ENTERPRISE ZONE
8 AUTHORITY MEETING
9 MARY ROEBLING BUILDING
10 SECOND FLOOR CONFERENCE ROOM #218
11 TRENTON, NEW JERSEY
12 WEDNESDAY, MAY 14, 2008
13 10:00 A.M.
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21 J.H. BUEHRER & ASSOCIATES
22 2295 Big Enough Way
23 Toms River, New Jersey
24 (732)557-4755
25

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1 A P P E A R A N C E S:

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3 CAROL McPHILLIPS, Chairwoman Designee

4 KATHLEEN KUBE, Director, Office of Urban Programs

5 MARILYN DAVIS, Labor and Work Force Designee

6 PATRICIA BRUCK, Deputy Attorney General

7 JOE NEAL, Governor's Authorities Unit

8 ELIZABETH LINDSEY, Treasury Designee

9 PAUL STRIDICK, DCA Designee

10 AMBAR ABELAR, Public Member

11 TANESHIA NASH LAIRD, Public Member

12 LEWIS HURD, Public Member

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1 CHAIRWOMAN: I'll call the meeting
2 officially open. This is the meeting of the New
3 Jersey Urban Enterprise Zone Authority of
4 Wednesday, May 14, 2008. In compliance with the
5 open meetings act at least 48 hours notice of
6 this meeting was sent by way of Secretary of
7 State to the following newspapers: The Star
8 Ledger, the Trenton Times, the Trentonium, The
9 Courier Post, The Atlantic City Press, the Asbury
10 Park Press and the Bergen Record. Roll call.
11 Ms. Laird?

12 MS. LAIRD: Here.

13 CHAIRWOMAN: Mr. Abelar?

14 MR. ABELAR: Here.

15 CHAIRWOMAN: Ms. Davis?

16 MS. DAVIS: Present.

17 CHAIRWOMAN: Carol McPhillips,
18 present. Trish Bruck?

19 MS. BRUCK: Note my presence.

20 CHAIRWOMAN: Elizabeth Lindsey?

21 MS. LINDSEY: Here.

22 CHAIRWOMAN: Lewis Hurd?

23 MR. HURD: Here.

24 CHAIRWOMAN: Paul Stridick?

25 MR. STRIDICK: Here.

0004

1 CHAIRWOMAN: We have a quorum. The
2 first agenda item is the approval of the April 9,
3 2008 Minutes. May I have a motion to approve?

4 MR. STRIDICK: So moved.

5 CHAIRWOMAN: May I have a second?

6 MS. LINDSEY: Second.

7 CHAIRWOMAN: Motion by Paul Stridick
8 and seconded by Elizabeth Lindsey. All those in
9 favor say "I".

10 (All in unison said "I".)

11 CHAIRWOMAN: Any opposed? Any
12 abstentions which will be made? I abstain
13 because I was not present.

14 MR. HURD: So do I.

15 CHAIRWOMAN: And Mr. Hurd. Motion
16 carried. Agenda item 4-A. Under "New business"
17 we will begin today's agenda with Bridgeton's
18 request for \$475,000 for Port Authority
19 Acquisition and Redevelopment Project. I
20 understand Mr. John Barry is going to make the
21 presentation.

22 MR. BARRY: Good morning. This is
23 Arch Liston.

24 MR. LISTON: I'll actually do the
25 presentation for the Port Authority. The city

0005

1 actually has a Port Authority. It's in a
2 redevelopment zone. We are looking to develop it
3 with commercial and some residential properties
4 in the long-term. What this would allow is the
5 \$475,000 would allow us to clear up any debt
6 service on it and for the city to acquire the
7 Port property along the river.

8 CHAIRWOMAN: Thank you, Mr. Barry.

9 May I have a motion to approve?

10 MR. ABELAR: So moved.

11 CHAIRWOMAN: Is there a second?

12 MR. STRIDICK: Second.

13 CHAIRWOMAN: Motion by Mr. Abelar and

14 second by Paul Stridick. Do you have any

15 questions for Mr. Barry?

16 MR. NEAL: I just -- one question.

17 May I ask? Who owns the Port now?

18 MR. LISTON: The Port Authority.

19 MR. NEAL: Is that a public entity?

20 MR. MR. LISTON: Yes, it is.

21 MR. STRIDICK: I have a question.

22 What goals do you have in marketing it or do you

23 have a potential use for a buyer for this

24 property?

25 MR. LISTON: We actually have a

0006

1 redeveloper that is beginning to lease some of
2 the more commercial sites. We are going to do
3 farmer market along the site which attaches right
4 to the downtown in conjunction with some of the
5 other projects. So we do have -- we are still
6 shopping for some of the larger developments. We
7 have a lot of interest and we -- to see what we
8 can do with the redeveloper.

9 MR. BARRY: It's also in the
10 redevelopment center.

11 CHAIRWOMAN: All in favor please
12 signify by saying "I".

13 (All in unison said "I".)

14 CHAIRWOMAN: Any opposed? Any
15 abstentions? Motion carries. Thank you.

16 Bridgeton's request for \$183,347 for
17 Florida Avenue Industrial Park/Bridgeton Plumbing
18 Storm Drainage Project. Mr. Liston.

19 MR. LISTON: John is going to do
20 this.

21 MR. BARRY: For Industrial Park
22 project it's an infrastructure grant for storm
23 drainage pipe. The first partial has already
24 been purchased by Bridgeton Plumbing. It's in
25 supply, that's what you see here in the project.

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1 So this would enable us to put the infrastructure
2 in for this project and move forward with
3 marketing the properties to other available
4 industrial or developers.

5 CHAIRWOMAN: Thank you. All in favor
6 please -- sorry. May I have a motion to
7 approve.

8 MS. DAVIS: So moved.

9 CHAIRWOMAN: And second?

10 MR. STRIDICK: Second.

11 CHAIRWOMAN: Marilyn Davis and Paul
12 Stridick second.

13 Do any of the commissions have any
14 questions?

15 MR. STRIDICK: Just a real quick one.
16 With regard to the sizes, they're pretty hefty
17 sizes, would this piping satisfy all the storm
18 drainage for the entire site or just for the
19 Bridgeton Plumbing?

20 MR. BARRY: Entire site.

21 MR. LISTON: It's designed to tie in
22 three lots that we're looking at.

23 MR. STRIDICK: Is there an existing
24 right away.

25 MR. LISTON: Yes.

0008

1 MR. NEAL: I have less of a question,
2 more of a comment. You make sure the DEP and any
3 other organization that you should advise them
4 and have them check it out before you move
5 forward?

6 MR. BARRY: Yes.

7 CHAIRWOMAN: Before we continue I just
8 want to put on the record that Mr. Joe from the
9 Governor's Authority is introduced.

10 All those in favor please say "I".

11 (All in unison said "I".)

12 CHAIRWOMAN: Any opposed? Any
13 abstentions? Motion carries. Thank you.

14 Next is Elizabeth's request for
15 \$2,835,378 for UEZ Financial Lending Programs,
16 phase two. Mr. Mario Rodrigues is with us today
17 to make a presentation.

18 MR. RODRIGUES: Good morning. I also
19 have with me Carl Sanchez who is the director of
20 the financial programs. The item before you on
21 the agenda is for \$2,835,378 to the continuation
22 of our UEZ financial program. To date we've
23 approved 72 loans which totaled \$1.8 million and
24 we've leveraged over \$66 million to date. This
25 project involves the UEZ commercial loan program,

0009

1 UEZ micro loan program and now UEZ financial
2 program. And we ask your approval this morning
3 for the continuation administration of our UEZ
4 financial program.

5 CHAIRWOMAN: Thank you, Mr. Rodrigues.
6 May I have a motion to approve?

7 MR. ABELAR: Certainly.

8 MR. HURD: Second.

9 CHAIRWOMAN: Motion by Mr. Abelar,
10 second by Mr. Hurd. Do any of the commissions
11 have any questions or comments?

12 All those in favor say "I".

13 (All in unison said "I".)

14 CHAIRWOMAN: Any opposed? Any
15 abstentions? Motion carried.

16 Next is Elizabeth's request for
17 \$885,247 for Elizabethport Infrastructure and
18 Streetscape Beautification Improvement project.
19 Do we have someone else?

20 MR. RODRIGUES: No. Anthony Curos
21 from Magnelia (Phonetic) Engineering is also
22 joining me here. This project is for \$885,247
23 for funding of the sort improvements along,
24 Bayway, Birch Street and all located within the
25 Elizabethport UEZ. Currently the land is vacant

0010

1 and what we're doing with this development we're
2 going to do new curb side and streetscape
3 improvement along this area. And by this
4 development we're going to bring in a 40,000
5 square foot commercial space which is going to
6 attract a new pharmacy, a new supermarket which
7 is going to revitalize this area by the
8 streetscape and curb side improvement and we ask
9 for approval this morning.

10 CHAIRWOMAN: May I have a motion to
11 approve?

12 MR. HURD: I.

13 CHAIRWOMAN: Second?

14 MS. LAIRD: Second.

15 CHAIRWOMAN: Mr. Hurd and Ms. Davis
16 second. Does anyone have a question?

17 MR. STRIDICK: A quick question with
18 regard to the police traffic records. In your
19 cost you have man hours of 320 and I just want to
20 make sure I'm reading it correctly that it's \$120
21 per hour for the traffic direction.

22 MR. RODRIGUES: Yeah, because in that
23 case it's for police captains and police
24 officers.

25 MR. STRIDICK: But you're charging the

0011

1 project \$120 per hour?

2 MR. RODRIGUES: I could get back to

3 you on that.

4 MR. STRIDICK: I assume MH is for man

5 hour?

6 MR. RODRIGUES: I could get back to

7 you if you want more clarification.

8 MR. STRIDICK: Because that's over the

9 course of the three projects that's going 13

10 percent of the project cost for the totals.

11 MR. RODRIGUES: Back to you on that.

12 CHAIRWOMAN: All in favor please say

13 "I".

14 MR. ABELAR: I.

15 CHAIRWOMAN: Any opposed? Any

16 abstentions?

17 MR. STRIDICK: Excuse me, on the

18 follow-up with regard to the --

19 MR. RODRIGUES: You want clarification

20 on the --

21 MR. STRIDICK: Yeah, if I would

22 just -- I would like to know what number --

23 MS. BRUCK: Do you want this

24 clarification before the motion?

25 MR. STRIDICK: Yeah, I would like

0012

1 it --

2 MS. BRUCK: Receipt and review of the
3 information?

4 MS. STRIDICK: That's correct.

5 MR. RODRIGUES: Okay.

6 CHAIRPERSON: Next is the request for
7 \$446,556 for Elizabeth's Commercial District
8 Powerwashing and Graffiti Removal Project.

9 MR. RODRIGUES: Once again we are
10 before your Authority for \$446,556 and this is
11 going to encompass powerwashing and removal along
12 our commercial districts. What we're going to do
13 is we're going to hire a company. This is going
14 to go out to public bid and we're going to hire a
15 company that's going to come out and powerwash
16 our streetscapes and our second floor of our
17 storefront windows. Over the last couple of
18 years has very invested tremendous money in our
19 streetscape. They have a lot of gum and grime.
20 This will enable us to once a month have a
21 company powerwash it. This way it's going to
22 attract more pedestrians, more shoppers and
23 hopefully more business in the area, in
24 commercial district areas.

25 CHAIRWOMAN: Okay. May I have a

0013

1 motion to approve?

2 MR. STRIDICK: So moved.

3 CHAIRWOMAN: And second?

4 MR. ABELAR: Second.

5 CHAIRWOMAN: Motion by Stridick,
6 second by Mr. Abelar. Anyone have any questions
7 for Mr. --

8 MS. LINDSEY: I have a question. I
9 was just wondering -- I see it's going out to
10 bid, which is great. I was just wondering where
11 did you get the estimated cost for the project?

12 MR. RODRIGUES: The estimated cost was
13 provided to us by -- we asked our special
14 improvement district --

15 MS. LINDSEY: Uh-huh.

16 MR. RODRIGUES: -- to give us
17 estimates and this is one of their estimates that
18 they gave to us. So when we go out to bid if the
19 estimate comes in higher we'll come back to the
20 authority for more funds and we'll abide by all
21 of the public bidding and procedures required.

22 MR. STRIDICK: Building upon that. In
23 your estimate I don't see any cost for facade
24 cleaning but in your narrative you mention facade
25 cleaning and I was wondering is that going to be

0014

1 part of the --

2 MR. RODRIGUES: No. This was just for
3 the remove the grind off the brick and second
4 floor storefront window, the second floor
5 storefront graffiti. It's on the facade.

6 MR. STRIDICK: Second floor of what?

7 MR. RODRIGUES: Storefront.

8 MR. STRIDICK: So off the facade.

9 MR. RODRIGUES: A lot of storefronts
10 you are able to see them from the pedestrian's
11 point of view and they have graffiti. What this
12 company is going to do is not only going to
13 powerwash the sidewalks but also going to remove
14 the graffiti from the second floor of the
15 storefront. Second floor meaning upstairs,
16 vestibules, but, you know, but in the front we
17 have another facade program which I'll explain in
18 a few minutes, that is different. This is going
19 to take -- this project is going to take a larger
20 scope when the facade program is going to involve
21 individual storefront. This is going to take a
22 larger scope. It's going to entail a larger
23 scope.

24 MR. STRIDICK: But just to clarify in
25 your budget on page nine does that take into

0015

1 account there was upper floors of their graffiti
2 removal?

3 MR. RODRIGUES: Yes.

4 MR. STRIDICK: Or is it just focusing
5 on the sidewalk?

6 MR. RODRIGUES: No, it's for both.
7 It's for graffiti removal and for the grind and
8 removal of dirt.

9 MR. STRIDICK: So when it says total
10 square foot area I should assume that's really
11 the square foot area of the facade being cleaned.

12 MR. RODRIGUES: Right.

13 MR. STRIDICK: Okay.

14 CHAIRWOMAN: All in favor?

15 (All in unison said "I".)

16 CHAIRWOMAN: Any opposed? Any
17 abstentions? Motion carries.

18 Next is Elizabeth's request \$300,559
19 for Facade Improvement Program,
20 Phase IV. Again, this is for \$300,559. This is
21 a continuation administration of our facade
22 improvement grant program. Over the last two and
23 a half years we approve facade and sidewalk
24 improvements that total over 151,350 and leverage
25 over 215,000 in private equity. Again, this is

0016

1 for individual storefront. If the client wants
2 to beautify their storefront for new gates or new
3 awnings this is where this money would come out.
4 It's on an individual basis.

5 CHAIRWOMAN: May I have a motion to
6 approve?

7 MR. STRIDICK: So moved.

8 CHAIRWOMAN: Second?

9 MS. DAVIS: Second.

10 CHAIRWOMAN: Stridick and Ms. Davis.

11 Does anyone have any questions for
12 Mr. Rodrigues?

13 CHAIRWOMAN: Okay. All in favor say
14 "I".

15 (All in unison said "I".)

16 CHAIRWOMAN: Any opposed? Any
17 abstentions? Motion carried.

18 Next is Elizabeth's request for
19 \$83,591 for Sponsorship of the City of Elizabeth
20 Festivals and Midtown Concert Series.

21 MR. RODRIGUES: Again, this is for
22 \$83,591. It's for Sponsorship for several
23 festivals and concert series within our city UEZ.
24 Over the last couple of years the music of
25 Midtown sponsored the music of Midtown. We

0017

1 sponsored the Columbia festival. We sponsored
2 the waterfront festival. What this enables us to
3 promote our UEZ programs within these districts.
4 So we're before you this morning to ask you to
5 approve this project for \$89,000 to continue
6 promoting our UEZ program. We provide literature
7 to the businesses, to the merchants, to the
8 pedestrians that come out to -- different
9 shoppers that come out to these festivals and
10 they've been very receptive to our UEZ program
11 both the facade sign grant and potential loans
12 that we may give out in the future.

13 CHAIRWOMAN: May I have a motion to
14 approve?

15 MR. ABELAR: So moved.

16 CHAIRWOMAN: Second?

17 MS. DAVIS: Second.

18 CHAIRWOMAN: Mr. Abelar and Ms. Davis
19 second. Does anyone else have any questions for
20 Mr. Rodrigues? All in favor please say "I".

21 (All in unison said "I".)

22 CHAIRPERSON: Any opposed? Any
23 abstentions? Motion carried. Thank you.

24 MR. RODRIGUES: Thank you.

25 CHAIRWOMAN: This is the request for

0018

1 \$154,178 for Business Recruitment/Retention and
2 Shopper Awareness via Special Events, year two.
3 Mr. Clark.

4 MR. CLARK: Yeah, this is a successful
5 program. In year two we're trying to coordinate
6 what we've already accomplished in the last years
7 festivals. We had shamrock festival which
8 brought in about 8,000 people to the waterfront.
9 We also did Bill Haley Rock and Roll Twin bars
10 which is now designated historically as the home
11 of rock and roll where it started in Gloucester
12 City. So we're going to build on that this
13 year. We're also going to have a two day
14 festival now to improve the rock and roll era
15 because we had so many people come last year.
16 Some of these funds also include shamrock
17 festival which will be held in September. Also
18 of Gloucester City cat fish tournament and we're
19 going to have a regionalized St. Patties day
20 parade since Gloucester City has 42 percent of
21 its population is directly in the Delaware
22 Valley, so we're going to have our JDSC group
23 which is our local consultants. It's to really
24 promote this regionally and we want to see what
25 kind of effect we have. So this is year two. It

0019

1 worked well last year. We just want to expand
2 upon that.

3 CHAIRWOMAN: May I have a motion to
4 approve?

5 MR. HURD: So moved.

6 CHAIRWOMAN: Second?

7 MR. STRIDICK: Second.

8 CHAIRWOMAN: Mr. Hurd and Mr. Stridick
9 second. Does anyone have any questions on this
10 project?

11 MR. STRIDICK: I just have a real
12 quick one. There's a mural that's included in
13 this. Is this part of the funding of this or did
14 we -- or is that part of other funding? I
15 know --

16 MR. CLARK: Actually it was first year
17 funding and that's why we have a balance on the
18 first year funding. And Bill Haley's grandson
19 actually is designing this for the Twin Bars and
20 it's a mural that goes around the building with
21 the historical significance of his grandfather's
22 accomplishment.

23 MR. STRIDICK: And this is going to be
24 dedicated in June?

25 MR. CLARK: Yes.

0020

1 MR. STRIDICK: Have they actually
2 started the mural?

3 MR. CLARK: I have not seen it started
4 yet, so he has to work fast.

5 MR. STRIDICK: Nothing like having a
6 deadline?

7 MS. BRUCK: Started today.

8 CHAIRWOMAN: All in favor.

9 (All in unison said "I".)

10 CHAIRWOMAN: Any opposed? Any
11 abstentions. Motion carried. Next is the
12 request for \$90,000 for Gloucester City for the
13 UEZ Business Recruit and Retention, year two.

14 MR. CLARK: Yes. Speaking about our
15 consultants, the JDSC group has done an
16 outstanding job in performing surveys and
17 collecting data to improve the economic
18 conditions based upon the needs of the community.
19 And they've done an outstanding job in
20 performance levels. This money here will go to
21 extend our contract for year two.

22 CHAIRWOMAN: May I have a motion to
23 approve?

24 MS. DAVIS: So moved.

25 CHAIRWOMAN: And second?

0021

1 MR. HURD: Second.

2 CHAIRWOMAN: Davis and Mr. Hurd.

3 Anyone have any questions?

4 MR. STRIDICK: Sorry. For your total
5 cost of 90 grand to the consultants 250 an hour
6 that's about 360 hours per year like 30 hours per
7 month. Are they able to satisfy your needs on
8 such a limited basis?

9 MR. CLARK: What we're doing -- yeah,
10 that's a good question. I have never seen a
11 group perform like they have. We meet probably
12 two times a week for the revitalization projects.
13 We're also coordinating a Broadway Monmouth
14 corridor and the King Street corridor and the
15 southern South Port development area and we're
16 trying to coordinate everybody to get on the same
17 page to develop that community right now with the
18 new master plan. I've never seen anything like
19 this in 15 years that I've been around here. And
20 their performance level is probably, I would say,
21 twice that amount of time with our group and our
22 city.

23 CHAIRWOMAN: All in favor.

24 (All in unison said "I".)

25 CHAIRWOMAN: Any opposed? Any

0022

1 abstentions? Motion carried. Thank you,

2 Mr. Clark.

3 Ms. Farber.

4 MS. FARBER: Good morning, everyone.

5 CHAIRWOMAN: This is Jersey City's
6 request for \$1,061,477 for UEZ maintenance, phase
7 five.

8 MS. FARBER: This is for the street
9 cleaning efforts that go on in Jersey City. This
10 was put out for public bid. The doe fund which
11 is located in Jersey City, and they cover all of
12 the UEZ's areas in this city doing street
13 cleaning and picking up liter.

14 CHAIRWOMAN: May I have a motion to
15 approve?

16 MS. LINDSEY: So moved.

17 CHAIRWOMAN: And second?

18 MR. ABELAR: And second.

19 CHAIRWOMAN: Motion by Ms. Lindsey and
20 second by Mr. Abelar. Does anyone have any
21 questions?

22 MR. STRIDICK: Just to clarify,
23 Roberta, with the doe fund, the workers, they're
24 getting room and board and housing and stuff like
25 that and then on top of that they're getting the

0023

1 \$7.28 an hour or \$7.20 go to the doe fund? In
2 other words, are they taking home the 200 and
3 some dollars a week?

4 MS. FARBER: Yes.

5 MR. STRIDICK: \$259 a week on top of
6 the room and board?

7 MS. FARBER: Yes.

8 MR. STRIDICK: And then you mention
9 that they take personal and sick days. Are there
10 any -- is there any formula to that? I mean, the
11 narrative says, "As needed" and I was just
12 wondering how does that work?

13 MS. FARBER: When someone is sick it's
14 when they need to go to the doctor or whatever
15 the case.

16 MR. STRIDICK: And does the doe fund
17 provide any medical or -- in other words, if they
18 have to go to a doctor?

19 MS. FARBER: No, they do not.

20 MS. LINDSEY: I have a question. Paul
21 are you finished? A couple of times in your
22 report you mention workers are men and I was
23 wondering are there any women?

24 MS. FARBER: Yes, there are.

25 MS. LINDSEY: Yes. So it's not only

0024

1 men?

2 MS. FARBER: It's not only men.

3 CHAIRWOMAN: All in favor.

4 (All in unison said "I".)

5 CHAIRWOMAN: Any opposed? Any

6 abstentions? Motion carried.

7 MS. FARBER: And the women work

8 harder.

9 MR. STRIDICK: I object.

10 CHAIRWOMAN: Next is the request for

11 Jersey City for \$825,079 for CCTV Maintenance

12 Program, phase three.

13 MS. FARBER: Our CCTV program is

14 larger in the State of New Jersey. It is very

15 effective in fighting crime and this is for the

16 maintenance for cleaning the domes, for repairing

17 knock downs and pays for salaries for Bob Dalton

18 who is our CCTV manager and the city provides 20

19 percent match the employees that operate the

20 camera room.

21 CHAIRWOMAN: Motion to approve?

22 MR. HURD: So moved.

23 MR. STRIDICK: Second.

24 CHAIRWOMAN: So Mr. Hurd and Stridick

25 second. Any questions? All in favor?

0025

1 (All in unison said "I".)

2 CHAIRWOMAN: Any opposed? Any
3 abstentions? Motion carries.

4 This is Jersey City's request for
5 \$328,709 for Customer Service Skills Center,
6 phase four. Ms. Farber.

7 MS. FARBER: Customer Service Skills
8 Center has been a cooperative effort between
9 Jersey City, an extreme program, a development
10 corporation actually runs the program. We have
11 had a huge success rate with this program. Since
12 the application was submitted we did a retention
13 analysis and of the 235 people that were
14 attempted to be contacted. Out of those 131
15 still have jobs and we just hired a retention
16 specialized who's going to be working with the
17 other individuals who are not yet employed. So
18 it is an incredible success program.

19 CHAIRWOMAN: Motion to approve.

20 MR. STRIDICK: Move.

21 CHAIRWOMAN: Second?

22 MS. LINDSEY: Second.

23 CHAIRWOMAN: Mr. Stridick and
24 Ms. Lindsey second. Any questions?

25 MS. DAVIS: Can I ask, does the

0026

1 Department of Labor have a wage record
2 information system that we could track the
3 employment? Can I ask that we tie that into the
4 performance of this particular project, is that
5 doable?

6 MS. BRUCK: Can you articulate that?

7 MS. DAVIS: You weren't listening to
8 me. We have wage information that is house and
9 Department of Labor that we can track the
10 employment of people going through training
11 programs and asking if we -- can we ask or does
12 the city utilize the Department of Labor to
13 confirm that those workers are still employed,
14 that the program is successful so we can
15 become --

16 MS. BRUCK: Is it something that's a
17 subjective -- I mean, an objective thing that can
18 supply you the information?

19 MS. DAVIS: Social security numbers
20 and we can confirm that the individuals are
21 working and that the program is successful.

22 MS. BRUCK: As long as Jersey City is
23 willing to provide that information. I don't
24 think it's any obligation, otherwise I don't know
25 if I can be forced to comply with that, because

0027

1 --

2 MS. DAVIS: How else do we measure how
3 it's successful.

4 MS. BRUCK: I'm just saying I don't
5 know the program that you're referring to. I'm
6 not sure what the criteria are for somebody
7 having to comply with that, what the compliance
8 factors are. I'm just not familiar. If Jersey
9 City is willing to provide that information,
10 there's no problem.

11 MS. FARBER: We have no problems
12 providing the information. But also just so we
13 do work very closely with Jersey City employment
14 training which is funded by the Department of
15 Labor. So a lot of these students that go are
16 from that also from the one stop shop. They all
17 go through the -- I'll get it straight, the tab
18 testing and all of the different testing that is
19 required by the state. So a lot of those
20 individuals have been through that system and I
21 will have Carol Morgan get in touch with you
22 whatever it is that you want. We are actually in
23 Keith's space so --

24 MS. DAVIS: Okay.

25 CHAIRWOMAN: We didn't take a vote

0028

1 yet.

2 MR. STRIDICK: You're confident, are

3 you?

4 MS. FARBER: Yes.

5 CHAIRWOMAN: All those in favor say

6 "I".

7 (All in unison said "I".)

8 CHAIRWOMAN: Any opposed? Any

9 abstentions? Motion carries. Thank you.

10 MS. FARBER: Thank you.

11 CHAIRWOMAN: Mr. Freiser. Okay. This

12 is Kearny's request for \$1,273,050 for Kearny

13 Avenue roadway improvements, fourth and fifth

14 year bond repayments.

15 MR. FREISER: Good morning my name is

16 Joel Freiser.

17 MR. FREISER: We're here this morning

18 to actually complete a project. The request this

19 morning represents the fourth and fifth year bond

20 repayments for a project that had been funded by

21 this authority from basically 2-0-0 -- and I

22 guess three prior projects and this is the fourth

23 and fifth payment of them. It's basically the

24 paying for the reconstruction of Kearny Avenue

25 which is the main shopping street within the

0029

1 Urban Enterprise Zone of Kearny. This project is
2 the replacement of catch basins and the
3 reconstruction of the street itself. It's
4 actually part of a much larger project that was
5 separately funded by the authority over the years
6 which in totality I just did a calculation is
7 nearly \$9 million. There were one, two, three,
8 four, prior projects for construction and the
9 first one was approved in fiscal year 1999 for
10 \$2.7 million and in February, 02/05/04 for \$1.6
11 million and 07/06/03 for \$2,140,000. And those
12 were streetscape projects. The project we're
13 approving today is the completion of the funding
14 of the roadway reconstruction itself which was
15 bonded for about three or four years ago for a
16 total of about \$3 million. This payment today
17 represents the fourth and fifth year bond payment
18 and in the application itself there's a schedule
19 that shows what those prior year bonding payments
20 were. It's attachment two I think or attachment
21 one. So today we're looking for two payments and
22 they total the amount for the project this
23 morning. I'll be happy to answer any questions
24 you might have about this.

25 CHAIRWOMAN: May I have a motion to

0030

1 approve?

2 MR. HURD: So moved.

3 CHAIRWOMAN: And second?

4 MS. LINDSEY: Second.

5 CHAIRWOMAN: Mr. Hurd first and

6 Ms. Lindsey second. Does anyone have any

7 questions for Mr. Freiser?

8 CHAIRWOMAN: Okay. All in favor

9 please say "I".

10 (All in unison said "I".)

11 CHAIRWOMAN: Any opposed? Any

12 abstentions? Motion carries.

13 MR. FREISER: Thank you very much.

14 CHAIRWOMAN: Patricia Komsa. This is

15 Lakewood's request for \$210,000 for New Jersey

16 Manufacturing Extension Program, Partnership

17 Project.

18 MS. KOMSA: Good morning. This is a

19 new project for us. From what I understand we're

20 one of the only ones working for the New Jersey

21 Manufacturing Extension Program. They are a

22 nonprofit organization funded by state and

23 federal grants that work directly with small to

24 midsize manufacturers to assist them with stream

25 line efforts, looking at their manufacturing

0031

1 process. How is their product being made?
2 What's the step to step. What can they do to
3 make process move faster. Plant layout. They'll
4 look at and assess everything that goes on with
5 the manufacturing process itself right back to
6 its front office, its web site. It looks at the
7 business as a whole and provides a need
8 assessment report. That part is all free to a
9 business. The point of implementation of
10 recommendations for business how they can make
11 their business more profitable, increase sales,
12 create jobs, retain jobs, all important things
13 for us as UEZ coordinators in our zone. That all
14 at that point becomes costly. They have to bring
15 in efficiency experts and sometimes technology.
16 Some businesses in our zone are literally making
17 five and \$10,000 mahogany doors by hand. There
18 is no CAD system. There is pretty much bare
19 hands making these things. And what this project
20 seeks is to work with manufacturers, the small
21 manufacturers for matching grant of reimbursement
22 grant of the \$50,000. The average implementation
23 for businesses between 50 and \$100,000 to make a
24 business more efficiency.
25 In your package you'll see statistic

0032

1 of what the average business can expect to see in
2 cost savings and manufacturing. It's page
3 three.

4 MR. STRIDICK: Yeah.

5 MS. KOMSA: The reduction of floor
6 space. One of the businesses we're looking to
7 work with want to double their floor space. The
8 manufacturing extension program has already come
9 in and done their needs assessment and said we
10 cannot only double your productivity but we can
11 do it in less space. You don't need to spend
12 more money. We can put money elsewhere in your
13 business. So we're partnering with the
14 manufacturing extension program and the UEZ
15 certified business obviously meaning all tax and
16 client issues or standards by the state. And to
17 infuse money into this business, these businesses
18 we're looking up to \$50,000 so would he have
19 enough for four businesses to start. It's a
20 great program and we encourage all coordinators
21 to meet with the manufacturing program. They
22 have a lot to offer. And at a minimum the needs
23 assessment are free. Businesses can look, you
24 know -- try to implement on their own, but a lot
25 of times problems are much bigger than what an

0033

1 average business can.

2 CHAIRWOMAN: May I have a motion to

3 approve?

4 MR. HURD: So moved.

5 CHAIRWOMAN: Any second?

6 MS. LINDSEY: Second.

7 CHAIRPERSON: Mr. Hurd moved and

8 Lindsey second. And any questions?

9 MR. HURD: I have a question. Just

10 for clarification. So the grant would go to the

11 nonprofit arm or to the small business?

12 MS. KOMSA: It's a reimbursement.

13 What we're trying the business to do is invest

14 some in themselves. So we will reimburse up to

15 50 percent or \$50,000 and they'll provide, the

16 business will provide with proof of payment to

17 the extension program.

18 MR. HURD: And the grant is to do

19 what?

20 MS. KOMSA: Is to implement stream

21 lining methods and in some cases relay the

22 process. The machinery, the plant layout to

23 bring in the machines, the technology, taxes and

24 things like that.

25 MR. HURD: Okay.

0034

1 MS. LINDSEY: I have a question. So
2 this proposal is for \$200,000. And so I'm
3 wondering how you choose which businesses will
4 get -- I saw the eligibility criteria or is there
5 an application process?

6 MS. KOMSA: There's not an application
7 process. What we do is because there may be 15
8 or 20 in our industrial park that actually
9 meet -- could possibly even make this criteria as
10 far as being under the \$50 million gross sales
11 and 250 employees, we haven't done that an
12 application process. We allow the business place
13 to be assessed for free with any etiquette and a
14 letter requesting considerations what we're
15 asking from the businesses. The nuts and bolts
16 of what they need is going to be in the
17 assessment, not necessarily that we can see in an
18 application.

19 MS. LINDSEY: And then would the UEZ
20 choose which businesses?

21 MS. KOMSA: Our Board of Directors
22 will.

23 CHAIRWOMAN: Any other questions?

24 MR. ABELAR: Yes. So far the New
25 Jersey Manufacturing Extension with how many

0035

1 businesses have been involved?

2 MS. KOMSA: Okay. With the MEP

3 themselves how much they actually have done?

4 MR. ABELAR: Approximately.

5 MS. KOMSA: Over 1500 businesses.

6 MR. ABELAR: In Lakewood.

7 MS. KOMSA: In Lakewood, I know

8 they're working with three currently. There's

9 one testimony from Luminar in your proposals as

10 to what they've got now, the project, how pleased

11 they've been at their particular project. They

12 didn't work through us directly. They have found

13 an extension program on their own before we as a

14 zone realized that there was an un-tax market

15 here that we could use to help our businesses.

16 I'd like to also note that the MEP also uses a

17 third party to collect data. So any of the data

18 you see in your packet is actually from a third

19 party. About the number of employees we

20 retained, new employment created, sales retained,

21 sales created and cost savings to the business.

22 That's all done by a third party. They don't put

23 the data themselves. So it's actually quite

24 impressive numbers and I believe it's in your

25 attachment.

0036

1 MR. ABELAR: You're going to come back
2 for more funding, right?

3 MS. KOMSA: If this takes off like we
4 think it will, yes, we will be back.

5 MR. ABELAR: Okay. So next time we
6 have more numbers to see?

7 MS. KOMSA: Yes, we will have
8 numbers. And, like I said, by a third party
9 independent so you'll have to phone numbers to
10 see.

11 MR. ABELAR: In other words, we like
12 to promote efficiency, not just a grant.

13 MS. KOMSA: Right. Right. We
14 understand.

15 MR. ABELAR: So we have the next time
16 we're going to have those numbers.

17 MR. KOMSA: We've never done this
18 particular business before, we don't have backup
19 data for this. We're working from what New
20 Jersey MEP's own track record is in the state.

21 MR. ABELAR: Very well.

22 CHAIRWOMAN: Any other questions?

23 MR. NEAL: I have a question. As far
24 as when you track it, you also track it for
25 controls to make sure the money is being credited

0037

1 properly.

2 MS. KOMSA: Correct. And that's also
3 why we're doing it as a reimbursement. It gives
4 us tighter control. We find that with some of
5 our other projects reimbursement is the only way
6 to go because we can see everything.

7 MR. NEAL: Okay.

8 MS. DAVIS: I have something to add.
9 MEP is a vendor of Department of Labor and as you
10 stated earlier they do provide you with the
11 performance track of how the project is working
12 and they've been very responsible in our dealings
13 with them at labor. So I'm sure they'll bring
14 clients from your UEZ from the customer grant.

15 MS. KOMSA: Uh-huh.

16 CHAIRWOMAN: Sounds like a great
17 program.

18 MS. KOMSA: I strongly encourage other
19 coordinators to look into it especially if you
20 have a lot of manufacturers.

21 CHAIRWOMAN: Okay. All in favor say
22 "I".

23 (All in unison said "I".)

24 CHAIRWOMAN: Any opposed? Any
25 abstentions? Motion carries. Thank you.

0038

1 Mr. Jones. Good morning. Next is
2 Long Branch's request for \$100,000 for UEZ facade
3 assistance 2008. Mr. Jones.

4 MR. JONES: Yes. The facade
5 improvement project that we are requesting
6 funding for today is a vital component of our
7 five year Urban Enterprise Zone Development Plan.
8 With a city such as Long Branch our zones are
9 rather small so when we can impact two or three
10 buildings in that zone it basically changes the
11 appearance of that zone. So the overall purpose,
12 though, here is to increase customer traffic to
13 the zones, ultimately to increase business
14 revenues, force economic development activity and
15 we also in doing this will create part-time
16 employment and state-wise the ratable rates in
17 Urban Enterprise Zone.

18 CHAIRWOMAN: May I have a motion to
19 approve?

20 MR. HURD: So.

21 CHAIRWOMAN: Second?

22 MR. STRIDICK: Second.

23 CHAIRWOMAN: Mr. Stridick and Mr. Hurd
24 second. Any questions for Mr. Jones? Okay. All
25 in favor please say "I".

0039

1 (All in unison said "I".)

2 CHAIRWOMAN: Any opposed? Any

3 abstentions?

4 MR. ABELAR: I abstain.

5 MR. JONES: Thank you.

6 CHAIRWOMAN: Motion carries. Thank

7 you.

8 Maurice Jones. This is Pemberton's

9 request for \$274,000 for UEZ clean team, phase

10 one. Mr. Maurice Jones.

11 MR. JONES: Maurice Jones, correct.

12 Pemberton Township is requesting \$274,000 to fund

13 RUEZ clean team year number one and these funds

14 will be utilized to pay two full-time employees

15 and to purchase the equipment necessary for them

16 to perform their duties.

17 CHAIRWOMAN: May I have a motion to

18 approve?

19 MS. DAVIS: So moved.

20 CHAIRWOMAN: Second.

21 MR. STRIDICK: Second.

22 CHAIRWOMAN: Ms. Davis and

23 Mr. Stridick. Any questions?

24 MR. HURD: Along this strip there will

25 be including the cleaning area.

0040

1 MR. JONES: Yes.

2 MR. HURD: How many UEZ businesses
3 will be affected.

4 MR. JONES: Well, our town is 64
5 square miles. So we have several areas that are
6 in the UEZ that are commercial areas. But along
7 the main strip that you're talking about is our
8 Browns Mills barrier, the town, and that's where
9 the majority of our UEZ businesses are. And I
10 approximate in that area of about 40 of our 65
11 businesses in that area.

12 MR. HURD: Okay.

13 MR. STRIDICK: You mentioned with
14 regard to the employees, you mentioned fringe
15 benefits, it's just a lump sum here. What does
16 that include?

17 MR. JONES: Well, I have it broken up
18 with medical --

19 MS. LINDSEY: I don't think we have
20 that.

21 MR. STRIDICK: It just has a lump sum
22 of \$17,100.

23 MS. LINDSEY: We didn't get that.

24 MR. STRIDICK: Does it include
25 medical?

0041

1 MR. JONES: Yes, medical, social
2 security benefits, pension, glasses.

3 MS. LINDSEY: Paul, I have that from
4 the original notes.

5 MR. STRIDICK: She just gave it to
6 me.

7 CHAIRWOMAN: Any other questions?

8 MR. STRIDICK: No.

9 CHAIRWOMAN: All in favor say "I".

10 (All in unison said "I".)

11 CHAIRWOMAN: Any opposed? Any
12 abstentions? Motion carries. Thank you.

13 MR. JONES: Thank you.

14 CHAIRWOMAN: Mr. Portnoy. Next is
15 Phillipsburg's request for Second Generation Fund
16 request for \$50,700 for New York Susquehanna and
17 Western Train Maintenance.

18 MR. PORTNOY: Good morning. First for
19 simplicity sake I'll refer to this organization
20 as Susquehanna. This is our fifth year in
21 operations with 501C3 company that consists of
22 all the volunteers who run a steam excursion
23 first attraction for us in conjunction with us
24 along the Delaware River in Phillipsburg. It's
25 been enormously successful in attracting tourists

0042

1 to our community. Last year in the town of
2 15,000 people we drew 30,000 visitors and there
3 will be new attractions as in your packages,
4 you could see new attractions that are planned
5 for this coming season including a simulated -- I
6 don't know what. Simulating mining. Kids come
7 in and they get trinkets and they panning for
8 gold kind of whatever you call it. I don't know
9 much about this. But it's very attractive to
10 bring additional things especially for children
11 and it just had an enormous impact in the
12 downtown particularly with restaurants but also
13 retail shops in the area. It works particularly
14 well when it's tied to our main successes in
15 December we run a Polar Express excursion along
16 the Delaware. It's currently sold out for this
17 year, that's how popular it is. You could bring
18 in more cars and particular continue to sell.
19 It's on the web site for Warner Brothers and get
20 people come in from all over the east for this
21 event. It's very popular. We are asking for
22 \$50,700 to assist in the maintenance and repair
23 for the cars which take a beating during the year
24 and they need repair. This is our fifth year
25 with this organization.

0043

1 CHAIRWOMAN: Thank you, Mr. Portnoy.

2 May I have a motion to approve?

3 MR. ABELAR: So moved.

4 CHAIRWOMAN: And second.

5 MR. HURD: Second.

6 CHAIRWOMAN: Does anyone have any

7 questions for Mr. Portnoy?

8 MR. STRIDICK: You mentioned in the

9 narrative that the Susquehanna you call it would

10 remit up to 20 percent of the gross revenue back

11 to the UEZ --

12 MR. PORTNOY: Yes and no.

13 MR. STRIDICK: Have you ever received

14 anything?

15 MR. PORTNOY: And this money goes into

16 the Second Generation Fund which we are

17 requesting the funding today. The agreement is

18 that there's a break even point that we

19 stipulated of \$150,000. We get nothing up to

20 150. Above 150,000 we get 20 percent of the

21 gross revenue.

22 MR. STRIDICK: Of the above number?

23 MR. PORTNOY: Of the above. And what

24 that meant in 2007, \$61,000.

25 MS. LINDSEY: I have a question

0044

1 similar which is that I just want to make sure I
2 understand that the Susquehanna is it owned by
3 this American Family Fund Center?

4 MR. PORTNOY: No. All these people
5 are volunteers who have other jobs. American
6 Family Fund Centers happens to be a business
7 that's one of the volunteers has nothing do with
8 this.

9 MS. LINDSEY: Okay.

10 MR. PORTNOY: Other than its
11 connection with that individual.

12 MS. LINDSEY: I'm sorry, so could you
13 just clarify for me. The city, who owns the
14 train, like who runs it?

15 MR. PORTNOY: The New York Susquehanna
16 and Western technical and historical society
17 which is a 501C3. Pretty good. But which is a
18 501C3 organization. Charitable organization.

19 MS. LINDSEY: So it's okay that we
20 give money to this?

21 MS. BRUCK: Nonprofit?

22 MS. LINDSEY: Yes.

23 MS. BRUCK: Yes.

24 CHAIRWOMAN: Any other questions?

25 Okay. All in favor say "I".

0045

1 (All in unison said "I".)

2 CHAIRWOMAN: Any opposed? Any

3 abstentions: Motion carries. Thank you.

4 Wayne Awald. This is Plainfield's

5 request for \$206,868. The UEZ police officers

6 phase two. Mr. Awald.

7 MR. AWALD: Yes. Thank you. This is

8 our second phase, the UEZ police officer. I'd

9 like to say very successful first phase. Police

10 officers are within the Enterprise Zone areas and

11 there has been a reduction in this areas overall

12 about 22 percent as you'll see in the packets.

13 Really, it's been a relationship building

14 experience between the police department and the

15 business owners. And again, a very successful

16 one. Police went out, met with all the local

17 business owners. Got to know them face to face.

18 So we actually have more eyes on the street

19 because our business owners have a relationship

20 with officers that are there on a more consistent

21 basis. And we're asking for funding for a second

22 phase to get us through to December.

23 CHAIRWOMAN: Thank you. May I have a

24 motion for approval?

25 MS. LAIRD: So moved.

0046

1 CHAIRWOMAN: And second?

2 MS. DAVIS: Second.

3 CHAIRWOMAN: Ms. Laird and Ms. Davis.

4 Any questions?

5 MR. AWALD: I'm introducing our public
6 safety director Martin Halloway and Lieutenant
7 Michael Gilliam who has the UEZ police officer's
8 program.

9 CHAIRWOMAN: Any questions?

10 MR. STRIDICK: One question. The
11 officers that are mentioned are they consistent
12 from year one? Is this the same team that's
13 going out or are they new people that are
14 rebuilding the relationship?

15 MR. AWALD: The majority of the
16 officers are. I believe one of the officers
17 was -- is going to Iraq, I believe. So new
18 officers, a new season officer is going to be.

19 CHAIRWOMAN: Any other questions?

20 MR. ABELAR: Yes. On this level of
21 compensation for high level officers, experienced
22 officer or just entry level, the business, the
23 compensation here.

24 MR. AWALD: They are contract
25 negotiations out of UEZ control, but, yes, they

0047

1 are the most seasoned officers we can have and
2 they show to be the most effective officers on
3 that position.

4 MR. ABELAR: And there's a question as
5 to the safety. Is that reasonable for enterprise
6 zone to have the most experienced officer given
7 that it's a commercial zone police officer?

8 MR. HALLOWAY: Yes, there is. Those
9 officers are able to build a relationship better
10 and they're able to affect the quality of life
11 concerns that we have such as issuing ordinance
12 for illegal dumping. Those officers also deal
13 with the business owners meetings. We go to
14 their city and chamber of commerce meeting in
15 attendance with them and work on building
16 relationship with them to address their
17 concerns. And I found that the seasoned officers
18 that have the most experience were able to handle
19 that situation better than some of the officers
20 who are just coming onto the job that are out to
21 just, you know, issue summons and infractions and
22 make arrests.

23 MR. ABELAR: That would work against
24 the city where the UEZ is funding the best
25 officer and the city is getting officers with

0048

1 less experience seem to me, but it's just a
2 comment.

3 MR. AWALD: I would like to add to
4 that that we had high expectations for this
5 program initially in phase two. And I have to
6 tell you, the authority, that this program is met
7 and exceeded our expectations. The relationships
8 developed between the police department and the
9 business community we dub this program taking
10 care of business and we certainly done that and
11 we appreciate last year's funding. We look
12 forward to more funding because this is very
13 worthwhile program. We definitely committed to
14 it. We started out with a strategic plan at the
15 inception. We follow that plan and it's
16 successful, but I have to tell you from a
17 community point of view it's been more than that.
18 Some we are very grateful with the funding so
19 far. We hope that you continue to do that.

20 CHAIRWOMAN: Any further questions?

21 Can I have a motion? All those in favor.

22 (All in unison said "I".)

23 CHAIRWOMAN: Any opposed? Any
24 abstentions?

25 MR. HURD: Abstain.

0049

1 CHAIRWOMAN: Mr. Hurd abstains.

2 CHAIRWOMAN: Motion carries.

3 Mr. Lelli and Sandy Forosisky. Good
4 morning.

5 MR. LELLI: A little bit of history,
6 this girl and my daughter were classmates.

7 CHAIRWOMAN: This is Vineland's Second
8 Generation Fund request for \$5 million for
9 restaurant row initiative.

10 MS. FOROSISKY: Sandy Forosisky,
11 director of redevelopment for the City of
12 Vineland. Our downtown is a redevelopment
13 area. And a little over a year ago we were
14 looking for a theme, a sustainable revitalization
15 of downtown. They did a survey of the city to
16 find out what the needs and where people spent
17 their money and what would bring them downtown
18 and they took that information and together with
19 demographic information from Claritas they were
20 able to identify where there was gaps in where
21 people were spending money outside of our area
22 because we weren't filling the needs within our
23 community. And we found that restaurants that
24 there was over \$20 million that people were
25 spending their money on full service restaurants

0050

1 outside of the area. We weren't capturing that
2 money. So when we were developing a theme for
3 downtown all the studies we've had through the
4 years have always said capitalize on your
5 heritage food and heritage agricultural
6 community. Welch's Grape Juice started in
7 Vineland. There's a line of food process. So we
8 identified that food is our niche for the
9 downtown and that restaurant, nice restaurants,
10 full service restaurants were going for ethnic
11 restaurants, would be a niche for our downtown.
12 But banks, historically banks stay away from
13 restaurants and start up. So using our Second
14 Generation Funds that we already have we with
15 like to establish a \$5 million loan pool for what
16 we call restaurants row initiative that would
17 provide 80 percent. So there's a 20 percent
18 equity contribution required, but 80 percent for
19 acquisition and rehabilitation to take -- we've
20 already identified several buildings they're
21 abandoned, they're under-utilized so that we
22 could convert them into restaurants. And since
23 word has gotten out about this and we have had --
24 I have a file full of interested people who wish
25 to establish restaurants. We think that this

0051

1 could be very successful.

2 CHAIRWOMAN: May I have a motion to
3 approve?

4 MR. STRIDICK: So moved.

5 CHAIRWOMAN: Second.

6 MS. DAVIS: Second.

7 CHAIRWOMAN: Mr. Stridick and Ms.
8 Davis. Does anyone have any questions?

9 MR. STRIDICK: Is there a maximum
10 amount that any one borrower can borrow from this
11 loan pool for acquisition?

12 MS. FOROSISKY: The \$500,000 for
13 renovations. The acquisition, we didn't put a
14 maximum. We say 80 percent of the value of the
15 building. I don't -- there's no million dollar
16 buildings in our downtown, so we didn't put a
17 maximum on that. But it's 80 percent.

18 MR. STRIDICK: So you feel comfortable
19 that the six to eight projects that you want to
20 fund can still be coming out --?

21 MS. FOROSISKY: Oh, yeah.

22 MR. STRIDICK: No one borrower will
23 match whatever the 1.5 that you have for
24 acquisition.

25 MS. FOROSISKY: No, I'm comfortable

0052

1 with this.

2 MS. DAVIS: What will be your process

3 for reviewing applications for --

4 MS. FOROSISKY: Well, it goes through

5 an underwritten criteria, but we're looking for

6 experienced operators or what we also have found

7 that there's people who just like real estate and

8 then there's people with restaurants who don't

9 want to be landlords, so we're doing a lot of

10 matching together. So either a person has the

11 financial wherewithal to buy the building and

12 renovate it and they have -- we lease it with an

13 experienced restaurant operator or the restaurant

14 operator can buy the building. But what we're

15 shying away from is someone who says, "I've

16 always wanted to open a restaurant. It's always

17 been my dream", because that is the business

18 risk. So we're looking -- the criteria is

19 experience.

20 CHAIRWOMAN: Any other?

21 MR. ABELAR: Vineland has an excellent

22 history in developing business and I would vote

23 for this project, but I have great concerns that

24 this is a planned government planned enterprise

25 where the private sector is unwilling to go. I

0053

1 don't know the quality of the start that gives
2 you the idea that a restaurant is the way to go.
3 And that's where I rely on the excellent record
4 of Vineland, but if the private sector is not
5 willing to go to these places, I don't trust that
6 the government planned this as a general
7 proposition, I guess, going to be successful, but
8 you know the community better than I do.

9 MS. FOROSISKY: The private sector
10 couldn't offer the incentives we're offering,
11 that's clear. But historically you're right,
12 restaurants are risky for banks. And that's why
13 the government -- that's why we're there to fill
14 in that gap and that's why there are these
15 economic development programs because we are
16 given an opportunity to make it financial --

17 MR. ABELAR: With the cost that's what
18 we're discussing.

19 MS. FOROSISKY: Yeah.

20 MR. ABELAR: I would vote given the
21 community concerns on this, but I distrust this
22 center planning that under financial by realtor
23 but the community will gain the best.

24 MS. LAIRD: I have a question. Can
25 you summarize for us the outcome of the study?

0054

1 Did it show that there were others leakage, if
2 you will, so if you could just summarize the
3 study to perhaps make some a little more
4 comfortable.

5 MS. FOROSISKY: What the study did is
6 ask the question about how many times you go out
7 to dinner and that was gathered by survey that
8 was over 700 responses and we did focus groups.
9 That information was with Claritas which is a,
10 you know, data base and what they found was 20
11 million -- 20 million for full service was a
12 leakage and six million for by fast -- full
13 service restaurants 20.9 million. Specialty food
14 8.5 million. 50 -- and then they did customer
15 preference and 50 percent said they wanted ethnic
16 restaurant, so we're going for all that.

17 MS. LAIRD: Just to summarize over \$30
18 million of potential to Vineland was going
19 outside Vineland.

20 MS. FOROSISKY: That's correct. Unmet
21 customer demand.

22 MS. DAVIS: Does this study reflect
23 where they're going, were they going to --

24 MS. FOROSISKY: So what happened was
25 with Claritas, they take what people are spending

0055

1 and then they take what all the sales are in your
2 area and people are spending more, they know that
3 there's leakage. It doesn't identify which
4 restaurant they're going to, but it just shows
5 that Vineland -- this is the total amount being
6 spent on full service restaurant and this is the
7 amount people are spending.

8 MR. STRIDICK: I have a question.
9 Will you be targeting the buildings that we have
10 photographs of and some of the addresses
11 primarily or will this program be available to
12 the Route 55 junction as well, like an Applebee's
13 take advantage of this?

14 MS. FOROSISKY: No. We targeted --
15 this program is only from East Avenue to the
16 boulevard. It's the Main Street district.

17 MR. STRIDICK: Exclusively?

18 MS FOROSISKY: The market is taking
19 care of that.

20 MR. STRIDICK: Because it says that an
21 applicant needs to be a Vineland Millville Urban
22 Enterprise so that would include --

23 MS. FOROSISKY: Well, they need to be
24 in the -- they have to be a member of the
25 Vineland Enterprise but the actual geographic

0056

1 area for the program is just that Main Street,
2 the four lots.

3 MR. STRIDICK: And those buildings in
4 particular?

5 MS. FOROSISKY: Those buildings were
6 identified. It wasn't exclusive. If someone
7 finds a building, you know, in that area, then it
8 would be eligible if the building converted into
9 a restaurant.

10 MR. NEAL: How are you going to be
11 managing the parking situation? It is nice to
12 have a restaurant, but how do people get there?
13 Walk?

14 MR. FOROSISKY: We have, of course, we
15 have parking on the streets, but then we have on
16 the Wood Street and Elmer Street, they're the two
17 streets that are behind Landis Avenue which is
18 our main street, we have -- we are expanding our
19 public parking and we continue to do that. What
20 we're trying to do is get the parking all behind
21 the building as much as possible.

22 MR. STRIDICK: There were a couple of
23 projects a couple of months ago, the four
24 corners, those projects are eligible for this
25 project?

0057

1 MR. FOROSISKY: The theater, the one
2 is eligible for a -- the tenant is eligible
3 because a restaurant is going to be established
4 in that -- one of the buildings attached to the
5 theater. So they would be -- they would be
6 eligible, the restaurant, not the theater.

7 CHAIRWOMAN: Any further questions?
8 Take a vote. All in favor "I".

9 (All in unison said "I".)

10 CHAIRWOMAN: Any opposed? Any
11 abstentions? Motion carried.

12 Next is Vineland's request of
13 \$451,800 to the Division Street parking lot. Is
14 this Mr. Lelli?

15 MR. LELLI: Yes. Speaking of parking
16 lot, this is an acquisition. We were not the
17 parking lot, the ground is only \$40,000 to pave
18 it, but based on the engineer's estimate would be
19 high cost of materials for parking lots going up
20 to \$451,800. But the main thing is it's adjacent
21 to the third largest employer in Vineland, glass
22 industry, class tubing. The tubing industry is
23 Gerresheimer. And we need -- they have some
24 empty buildings that they are trying to lease out
25 or condo out for other businesses that support

0058

1 their business. So we took the opportunity to
2 provide additional parking. The planning
3 department made a suggestion that they would get
4 some additional parking available for workers and
5 this one became available so we made a move on
6 it.

7 CHAIRWOMAN: Thank you. Can I have a
8 motion to approve?

9 MS. DAVIS: So moved.

10 CHAIRWOMAN: And second?

11 MR. ABELAR: Second.

12 CHAIRWOMAN: Ms. Davis and Mr. Abelar.
13 Any questions?

14 MR. HURD: Does this parking follow
15 any line where the restaurant roadways are?

16 MR. LELLI: No, it's entirely
17 different. It's an industrial area, right
18 adjacent to the Kimball's -- the Gerresheimer
19 manufacturer.

20 MR. STRIDICK: How long is the parking
21 lot? How many spaces? I didn't get an
22 engineering estimate.

23 MR. LELLI: Let me see. The
24 engineer's thing here is not -- I'm afraid I
25 don't have that information for you. I thought

0059

1 it was in the engineer study, but it is not.

2 MR. STRIDICK: Or the area of the
3 project, not so much the spaces. What is the
4 size of the lot?

5 MR. LELLI: Maybe I can tell you
6 that. Oh, I'm sorry, the lot has currently
7 approximately 140 spaces, but the conceptual
8 layout will reduce it to 108 spaces that's from
9 the city engineer's estimate.

10 MR. STRIDICK: In other words, so
11 currently it's a parking lot?

12 MS. LINDSEY: Yes.

13 MR. LELLI: Yes, it is.

14 MR. STRIDICK: And who owns that?

15 MR. LELLI: I forgot who we bought it
16 from.

17 MS. LINDSEY: Carmen Perez.

18 MR. STRIDICK: So he's using it as a
19 parking?

20 MR. LELLI: No, he wanted to build a
21 home. He requested for a variance. The Planning
22 Board didn't think it was good idea to grant it
23 since it was right next to the industrial park.
24 So we came to the agreement to buy it from him
25 and redo the parking lot.

0060

1 MR. STRIDICK: So it's currently 140
2 space parking lot that he was going to put a home
3 on it and it's currently used as a parking lot?

4 MR. LELLI: No, he didn't use it at
5 all. He wanted to buy it and use it as a home.

6 MR. STRIDICK: Who uses it, though?

7 MR. LELLI: Nobody uses it until we
8 buy it.

9 MS. BRUCK: It's a vacant lot.

10 MR. STRIDICK: But you mentioned that
11 there's 140 spaces that would be reduced to 108.

12 MR. LELLI: Because the storm water
13 retention basin. When you do a parking lot now,
14 the new storm water retention guidelines reduce
15 the size lot because you have to have this other
16 declaration.

17 MR. STRIDICK: Let me just reiterate
18 so I understand. There's no parking on there
19 now?

20 MR. LELLI: There's no parking.

21 MR. STRIDICK: But it could
22 potentially by layout accommodate 140, but
23 because of storm water it could be reduced at
24 108?

25 MS. FOROSISKY: That's correct.

0061

1 MR. LELLI: That's correct.

2 MS. LINDSEY: That's the cost of the
3 construction is going to be for the storm water.

4 MR. LELLI: The construction is four
5 hundred and something thousand dollars.

6 MS. LINDSEY: Right. So what exactly
7 if it's already a parking lot.

8 MS. BRUCK: It's not a parking lot.

9 MR. LELLI: The Planning Board doesn't
10 like to say parking lots and that kind of thing.

11 MS. BRUCK: It's unimproved land,
12 correct? It's unimproved land?

13 MR. LELLI: Unimproved.

14 MS. FOROSISKY: The 140, that was the
15 part that wasn't clear.

16 MS. LINDSEY: Actually --

17 MS. FOROSISKY: They cut back what it
18 could have been.

19 MS. LINDSEY: Okay. Thank you.

20 CHAIRWOMAN: I have a question. Now,
21 I assume that the city of Vineland is expected to
22 build a parking lot?

23 MR. LELLI: Yes.

24 CHAIRWOMAN: So they could attract
25 businesses to come into this industrial park?

1 MR. LELLI: Yes, because when the
2 company would apply to move into the Gerresheimer
3 facility depending on the number of employees,
4 there's a ratio of cars and that is part of the
5 planning Board savers. So we need to have those
6 extra spaces available in case we get -- in the
7 event we have a large company that employees a
8 lot of workers, but we don't know that.

9 MS. BRUCK: But this would be public
10 parking?

11 MR. LELLI: Public parking. Anybody
12 could use it, but it's so far from the downtown
13 it won't be used for that.

14 CHAIRWOMAN: It would be used for
15 the --

16 MR. LELLI: For the industrial in the
17 area.

18 CHAIRWOMAN: But doesn't most
19 companies, like, supply their own parking? Would
20 they reimburse then the City of Vineland to use
21 the parking?

22 MR. LELLI: No. It's like providing
23 parking for center city without the owners paying
24 the city for using the parking. It's just an
25 incentive to use.

0063

1 CHAIRWOMAN: Businesses there --

2 MS. FOROSISKY: They're creating
3 because the glass factory is continually
4 decreasing and decreasing. They're creating kind
5 of a new industrial complex there and we are
6 trying to attract new businesses into that
7 facility. So it isn't specifically for the, you
8 know, benefit of just the glass factory.

9 MS. LINDSEY: So if the glass company
10 is reducing its work force, where did those
11 workers park previously?

12 MR. LELLI: There's parking on the
13 other side. This is just additional -- provide
14 additional parking.

15 MR. STRIDICK: So when the business
16 plan for the development of this site, is there a
17 need for parking that's being developed or can
18 the existing --

19 MR. LELLI: Don't know until I see the
20 number of employees.

21 MS. STRIDICK: In other words, how
22 many existing spaces are there that are being
23 vacated?

24 MR. LELLI: At one time Kimballs had
25 1800 employees. Now they're down to maybe

0064

1 between five and six.

2 MR. STRIDICK: Let me ask the question
3 this way. How many parking spaces exist in the
4 existing industrial complex?

5 MR. LELLI: I have no idea.

6 MR. STRIDICK: But has there been a
7 need that's demonstrated --

8 MR. LELLI: Not until we get -- we
9 were able to attract some new industries. We
10 don't -- it's not needed right at this moment.
11 We need to be prepared to do that when companies
12 look at it.

13 MR. STRIDICK: Would you say that
14 again, just to get my arm around this thing. Are
15 there several hundred parking spaces or --

16 MR. LELLI: Yes. Yes. Oh, yeah,
17 there are several hundred parking spaces.
18 Because at one time there was as many 1800 people
19 working, not all of them drove there because they
20 came from the neighborhood and walked there, but
21 there was considerable parking there.

22 MR. STRIDICK: So on a given workday
23 like today if we flew over the site would we see
24 a lot of spaces empty.

25 MR. LELLI: Uh-huh, yes.

0065

1 MR. STRIDICK: I'm just curious as to
2 what's driving the need for an investment of four
3 hundred and something thousand.

4 MR. LELLI: Because we're working
5 Gerresheimer to attract new industries into their
6 empty buildings and making use of the industrial
7 spaces. It's a complex that has rail service
8 besides and it has extra features that are
9 attractive to industries that are now shipping by
10 rail.

11 MR. STRIDICK: And what other efforts
12 are going into kind of marketing or strategizing
13 on the industrial --

14 MR. LELLI: My normal industrial --
15 the programs we have as part the UEZ Zone and we
16 have a set of packet which is our web site, you
17 could see that, and there's a loan program,
18 there's the sales tax exemption program. If a
19 company comes in there's a business of incentive
20 program, relocation program, job training and
21 on-the-job training.

22 MR. STRIDICK: Have there been any
23 inquiries that would generate a need for 108
24 additional spaces the --

25 MR. LELLI: Yes. There's a

0066

1 distributor who's looking at it trigger this
2 thing that we got to get this thing ready just in
3 case. It will happen sooner or later. I had two
4 people, two different companies look at it. The
5 manager of the Gerresheimer called me the other
6 day and said he had more available space and we
7 were looking to just be ready. Instead of
8 building a new industrial park, we're actually
9 renovating what is in existence, parking lot.

10 MS. FOROSISKY: And it will make it a
11 much more attractive.

12 MR. STRIDICK: This parking lot --

13 MS. FOROSISKY: Fixing it.

14 MR. STRIDICK: Is this adjacent to an
15 existing parking?

16 MR. LELLI: There's parking lots all
17 around. It's a clump. There's parking lots all
18 around the area that are owned by Gerresheimer.

19 CHAIRWOMAN: So when this is all
20 filled you expect more than 1800 employees?

21 MR. LELLI: I would like to think
22 that, but I don't know. Some of the industries
23 that we looked at would attract the residents
24 which is adjacent to this manufacturer's complex
25 which has been there since 1875. Since a lot of

0067

1 people could walk to work, what we are trying to
2 do is provide employment for those people that
3 live in these -- the old center city areas.

4 CHAIRWOMAN: Okay.

5 MS. DAVIS: Could we table this and
6 ask for more information such as pictures of the
7 lot, pictures of the current business --

8 MR. LELLI: We sent them in. The
9 pictures are in there.

10 MR. STRIDICK: Can you pass them
11 around if you have them.

12 MS. DAVIS: Can you walk me through
13 the pictures so I can understand? So the lot is
14 labeled 208 and 209, that's what we're referring
15 to, right?

16 MR. LELLI: Yes, I believe it is.
17 They refer to it as block 2327, lot two, which
18 was formerly -- the old number was lot 327.

19 MS. DAVIS: I'm sorry, what are the
20 numbers again?

21 MR. LELLI: You can tell from the area
22 as you see now, just right in the center, are of
23 everything.

24 MR. STRIDICK: If I may, in this
25 aerial photograph, is it the space that's right

0068

1 here? I mean, it looks like a whole bunch of --
2 couple of hundred cars parked there already.

3 MR. LELLI: Yes, that's the lots that
4 surround it. And the appraisal shows the lot
5 where the grass --

6 MR. STRIDICK: So the lot that's
7 highlighted, that's on the corner of Crystal and
8 Fowler and Division Street, is that the lot in
9 question? I have a lot that's kind of 200 by
10 200.

11 MR. LELLI: No, this one is an odd
12 shape lot. It's 106.82 by 181.41 by 59 foot
13 wide.

14 MR. STRIDICK: So it's like a flag
15 lot?

16 MR. LELLI: Maybe that's not the lot.
17 2327 lot two. Is surrounded by Division Street
18 on one side and Fowler Avenue on the other.

19 MR. STRIDICK: And Crystal on the
20 top. So in this aerial photograph it looks like
21 there's a whole bunch of cars parked there -- it
22 looks like a parking lot already. It's striped.

23 MR. LELLI: It could be. I don't know
24 when this picture was taken. It looks like it
25 was taken some time ago. It's not a new picture.

1 MR. STRIDICK: But according to the
2 testimony it's an unimproved lot and here it
3 looks like an improved lot.

4 MR. LELLI: It might have been a long
5 time ago, but it's not now. So I don't know when
6 the picture was taken.

7 MR. STRIDICK: It says 2007.

8 MR. LELLI: Here's the actual picture
9 of the lot now, the appraisal.

10 MR. STRIDICK: Yeah, I'm just -- the
11 lot and block in the photograph don't jive to
12 me.

13 MR. LELLI: Because this picture is
14 old, there's no recent aerial of the -- it might
15 have been -- it says that, but --

16 CHAIRWOMAN: We're just going to have
17 to table this.

18 MS. BRUCK: But if you're going to
19 table it, you could get to clarify from Vineland
20 what you want them to design for you.

21 MR. LELLI: What do you mean?

22 MR. BRUCK: That's what I'm saying.

23 MR. LELLI: What do you mean?

24 MR. BRUCK: Unless the authority
25 members are satisfied to take a vote.

0070

1 MS. DAVIS: First question, the
2 pictures that we see here does look like a
3 parking lot. So if you could provide us with
4 updated pictures.

5 MR. LELLI: It was a parking lot. It
6 was sold to a guy who wanted to buy it for a
7 house.

8 MS. DAVIS: Correct.

9 MR. LELLI: And then now the Planning
10 Board did not approve because it was zoned
11 industrial although some realtor assured him he
12 could have gotten a variance. So the city took
13 the advantage to buy the lot and now wants to
14 improve it back to a new improved parking lot.

15 MR. STRIDICK: In my earlier -- if you
16 don't mind, in my earlier questioning you said it
17 was an unimproved lot that could accommodate 140
18 cars and that you would go down --

19 MR. LELLI: By the old standards the
20 engineer said it could accommodate 140, by new
21 standards it's 108.

22 MS. BRUCK: Mr. Lelli, you did just
23 say that he bought it and it was a parking lot.

24 MS. DAVIS: Right.

25 MS. BRUCK: You just said that. We

0071

1 have established before that -- perhaps it's not
2 a submission parking lot where you ingress and
3 egress, I don't know, but you did just say that
4 it was a parking lot.

5 MR. LELLI: It was a parking lot, had
6 deteriorated into this picture.

7 MS. BRUCK: So it was a parking lot
8 that was in disrepair and disuse?

9 MR. LELLI: Right.

10 MS. BRUCK: And now you want to bring
11 that up to grade to use the money to acquire it
12 and also to bring it to standards?

13 MR. LELLI: That's correct.

14 MS. BRUCK: And then I guess the
15 follow-up question is how do you establish the
16 need for this parking lot in light of the
17 existing parking and existing industry that is
18 going on in the area?

19 MR. LELLI: As the Planning Board says
20 it's the best and possible use of the land
21 adjacent to an industrial --

22 MS. BRUCK: But that doesn't mean that
23 the zone has to buy it. So I think the Board is
24 concerned why does the Board -- I understand
25 you're negotiating with other companies and you

0072

1 want to promise available parking. That's very
2 reasonable and commercially practical. But if
3 you have other parking available in light of the
4 fact that the down sizing, for example, have you
5 established that there's actually a need for
6 additional parking and I think --

7 MR. LELLI: We need to be prepared to
8 provide parking for what we believe is going to
9 be additional industries going into the park.
10 It's like buying a piece of vacant land and
11 turning into industrial park assuming we're going
12 to get companies to buy it.

13 MS. BRUCK: I guess what the Board
14 wants to know, what is existing now? What is
15 being utilized now. And what are your
16 projections for what you need in the future based
17 upon your discussions with other companies and
18 perhaps that's the information that needs to
19 come -- additional information before the Board
20 before perhaps they even want to vote on this.

21 MS. DAVIS: And the other thought is
22 because you're, you know, trying to attract new
23 businesses perhaps the issue here today should be
24 the acquisition of the land and now the total
25 amount that you're requesting. From the 40,000

0073

1 versus the \$460,000 because you haven't
2 demonstrated that there's no need.

3 MS. BRUCK: This goes back to whether
4 or not there is an initial need and can you
5 provide that information, for example?

6 MR. LELLI: I can't provide that
7 information because I don't know. It's the
8 future of the city.

9 MS. BRUCK: Again, I guess that would
10 be a concern as to what was the due diligence
11 undertaken --

12 MR. LELLI: It just makes business
13 sense to have that available for the industrial
14 complex.

15 MS. BRUCK: What if there were 5,000
16 other parking spaces unused around?

17 MR. LELLI: No, there is not.

18 MS. BRUCK: Do you now know there is
19 not?

20 MR. LELLI: Well, there's not 5,000?

21 MS. BRUCK: So, Mr. Lelli, if you
22 could go back and provide the Board with --

23 MR. LELLI: I can't do that. I'll say
24 it right now, I cannot do that.

25 CHAIRWOMAN: Let's take a vote.

0074

1 MR. LELLI: Turn it down, that's all.

2 I don't care.

3 CHAIRWOMAN: We'll take a vote and all
4 in favor. All opposed?

5 (All in unison said "I".)

6 CHAIRWOMAN: Any Abstentions? None.
7 It's been a motion that does not carry.

8 MS. BRUCK: I actually would just say
9 if you want to re-submit this with the additional
10 information I would encourage you to do so if you
11 feel that that's appropriate. Thank you.

12 CHAIRWOMAN: Next is Vineland, Second
13 Generation Funds request for \$202,500 for
14 Economic Loan Development Loan to Vineland
15 Construction Company. Mr. Lelli.

16 MR. LELLI: Vineland Construction
17 Company is asking for \$202,500 for interior
18 improvements and parking lot improvement to their
19 commercial building located at 415 West Landis
20 Avenue. The \$285,000 of which the borrower is
21 going to put \$142,000 and the UEZ of the 202,
22 142.5 is the fit out. The parking is 120 and 60
23 from the borrower and 60 from the UEZ. So that
24 totals along \$202,500. The first floor is also
25 only occupied and this is the second floor and

0075

1 that is going to be a mortgage loan with five
2 percent interest for 15 years.

3 CHAIRWOMAN: May I have a motion to
4 approve?

5 MR. ABELAR: So moved.

6 CHAIRWOMAN: And second?

7 MS. DAVIS: Second.

8 CHAIRWOMAN: Mr. Abelar and Ms. Davis.

9 Any questions? Okay. No question. We'll go to
10 move. All those in favor say "I".

11 (All in unison said "I".)

12 CHAIRWOMAN: Any opposed? Any
13 abstentions? Motion carries.

14 Next we have Vineland is second
15 generation funds request for \$200,000 for
16 Economic Development Loan to SMS Enterprises.
17 Mr. Lelli.

18 MR. LELLI: SMS Enterprise is a --
19 this is for permanent loan for leasehold
20 improvements and equipment acquisition for a new
21 Burger King restaurant which is -- there was one
22 there. They just torn the whole thing down
23 because this is the first of the new style Burger
24 Kings that are coming in. Total project cost is
25 \$1,100,000. Bank of America is funding an

0076

1 interim loan of \$1,341,000 which includes
2 refinancing of existing that we had there. The
3 Bank of America will fund the loan \$1,141,000 and
4 the UEZ will follow with a \$200,000 loan as part
5 of the project. The cost is leasehold
6 improvement \$820,000. The soft balls are 45.
7 Acquisition of finisher and equipment is 235 and
8 refinancing that is \$1,456,000. The Bank of
9 America is providing \$1.1 million, UEZ is
10 providing \$200,000. The borrower is putting
11 \$115,000.

12 CHAIRWOMAN: Motion to approve.

13 MR. HURD: So moved.

14 CHAIRWOMAN: Second.

15 MS. LAIRD: Second.

16 CHAIRWOMAN: Any questions?

17 MR. STRIDICK: Yeah. In the benefit
18 to the zone you mention that there's going to be
19 five full-time and 30 part-time jobs. How many
20 were in existence before the place actually got
21 demolished, because we're kind of replacing even
22 though it's a newer --

23 MR. LELLI: I can't tell you.

24 MR. STRIDICK: Because right now as a
25 demo site it's zero jobs.

1 MR. LELLI: Flat down starting all
2 over again.

3 MS. LINDSEY: I have a question about
4 the economic development purpose of rebuilding
5 this Burger King. I'm just wondering how you see
6 it, besides the jobs that may be created, how you
7 see it really benefiting the zone specifically
8 when we approve funding for the restaurant row
9 and now this could be a potential competitor with
10 those restaurants. I know that it's a different
11 type of restaurant, but I'm just wondering if
12 you're talking about it.

13 MR. LELLI: The Burger King is out on
14 Route 47 which is a high traffic area which
15 attracts customers that do not want to pay 20,
16 \$25 for a meal and higher end restaurant. But
17 most importantly this is a new building which
18 will generate real estate taxes which is the
19 heart and soul of what cities need for revenue to
20 balance their budget for ever and ever until they
21 tear down the building down. And if it wasn't
22 for the fact that New Jersey is based on a real
23 estate tax system, I couldn't say that, but it's
24 more important than the restaurant. And Burger
25 King, the company, owns the ground itself. So if

0078

1 this gentleman decides to move on they'll have
2 another operator there. The jobs will still be
3 there regardless of who owns it and the building
4 will pay taxes regardless of who owns it. I
5 mean, that's the benefit, the real benefits to
6 what the usual enterprise is all about.

7 MR. STRIDICK: Building upon that,
8 what is the increase in tax, local tax payments
9 from the previous restaurant that was demolished
10 to the new one?

11 MR. LELLI: I haven't seen the
12 assessment for the new year because it's going up
13 now. So I don't know what the new tax assessor
14 has.

15 MR. STRIDICK: Was it demolished with
16 plans of building a new one?

17 MR. LELLI: Yes. Uh-huh.

18 MR. STRIDICK: It's already gone?

19 MR. LELLI: Yeah. The new one is
20 halfway up.

21 MS. FOROSISKY: It cleans up the area
22 because it was an old Burger King. It's just a
23 more attractive look too.

24 CHAIRWOMAN: I have just a question
25 about wording in here where in this proposal that

0079

1 asks -- that says that the borrower does not have
2 the historical capabilities to service the debt.
3 What does -- and it seems like this person
4 doesn't have a very good credit.

5 MR. LELLI: The gentleman has four
6 other Burger King restaurants and sufficient
7 equity and net worth to provide whatever short
8 fall in case the projections for this new
9 restaurant do not come up to standard. We've
10 been with him, two other restaurants, two other
11 Burger Kings with him. And as our credit analyst
12 put in there that the final decision and what the
13 revolving loan fund committee historically SMS
14 Enterprises has been operating business at this
15 location without any interruptions. In addition,
16 Mr. Salsbury owns and operates three other
17 restaurant locations and has been recognized as a
18 good operator by Burger King. But, again, you
19 have to -- I hate to even preach this, but this
20 is an economic development loan, not a bank
21 loan. If it was a bank loan maybe it wouldn't
22 have made it. But an economic development loan
23 although you use the same liens and mortgages and
24 all that kind of thing, it's a question of city
25 investing in bringing this business along. But

0080

1 if it wasn't for that the lenders wouldn't do
2 it. We're in a very difficult subprime mortgage
3 financial mess right now for the next two years
4 and we expect we're going have some more -- this
5 is new thank God and we hope we won't see many --
6 this is where we're going to have to go back and
7 help for a while. This will eventually -- two
8 years.

9 CHAIRWOMAN: Any other questions?

10 MS. BRUCK: Yeah. Well, at the risk
11 of opening up Pandora's box at this moment and
12 not knowing the background of this, is the
13 recipient aware of the fact that acceptance of
14 this financial assistance may be a trigger for
15 having to pay the prevailing wage for the
16 leasehold improvements?

17 MR. LELLI: Yeah, that's in our
18 application, the whole page warning him of that.

19 MS. BRUCK: Thank you.

20 MR. LELLI: And I know there's a
21 decision coming from the Department of Labor
22 about the problems of prevailing wages and to
23 what it applies to and so forth and so on, but
24 believe we're making sure that everybody is
25 totally aware of prevailing wages. And by the

0081

1 way, if the decision goes against us this loan
2 program will disappear. It wouldn't work that
3 way.

4 MS. BRUCK: I just want to make sure
5 that the recipient is aware.

6 MR. LELLI: Oh, yes. Since Sandra and
7 I are being sued personally for not fully
8 disclosing by another client.

9 MR. STRIDICK: I'm confused.

10 MS. BRUCK: Later.

11 CHAIRWOMAN: Any other questions?

12 Okay. We'll go for a vote. All those in favor
13 "I".

14 (All in unison said "I".)

15 CHAIRWOMAN: Any opposed? Any
16 abstractions? Motion carries.

17 Next is the request for 60,000 for
18 Vineland for South East Boulevard for their
19 improvements AJM Rail Spur. Mr. Lelli.

20 MR. LELLI: 60,000 is for the
21 engineering to provide the -- contract to provide
22 the wherewithal to build -- the city has agreed
23 to pay for crossing on the boulevard and the
24 company got a grant from the Department of
25 Transportation on the rail side which is like

0082

1 \$545,000. Now, this is a new company that is
2 planning -- just getting -- coming to Vineland,
3 creates AJM manufacturers of manufacture paper
4 goods similar to Dixie products and things like
5 that. It will generate a new company for
6 Vineland, it will be their East Coast
7 manufacturing and distribution center and they --
8 the deep award was based on 268 jobs. So this is
9 necessary because they -- to put on the rail side
10 again because they use five rail carts a week on
11 their full production. And then -- but this is
12 to get it start it. They've been delayed because
13 of the slowdown in the economy but now they're
14 ready to go and they're getting ready to move the
15 machinery into the new building or the existing
16 building and I think second phase will be another
17 70,000 square foot added on because this rail
18 side is going to run right into the building.

19 CHAIRWOMAN: Okay. May I have a
20 motion to approve?

21 MR. STRIDICK: So moved.

22 CHAIRWOMAN: Second.

23 MS. KUBE: Second.

24 CHAIRWOMAN: Any questions?

25 MR. STRIDICK: I think it's great for

0083

1 \$60,000 if we can generate 238 jobs.

2 MR. LELLI: The Department of
3 Transportation said the same thing. This is one
4 of the biggest when it's fruition this will be
5 one of the newest manufacturing businesses in
6 Vineland. We worked hard to get this one and
7 it's about to come through fruition.

8 MR. HURD: There will be new jobs for
9 local residents or new jobs that are transferred
10 over?

11 MR. LELLI: The Department of Labor
12 and work force development of the Cumberland
13 County has all of the job descriptions and they
14 are pre-training the applicant and I'm sure when
15 they -- when the ad hits the paper and you'll see
16 applicants from all over the county.

17 CHAIRWOMAN: Okay. Any other
18 questions before we go on a vote? All in favor
19 say "I".

20 (All in unison said "I".)

21 CHAIRWOMAN: Any opposed? Any
22 abstentions? Motion carries. Thank you,
23 Mr. Lelli.

24 MR. LELLI: One other thing.

25 MS. BRUCK: It's not time for public

1 comment.

2 MR. LELLI: I got some good news and
3 bad news. Good news is last month we competed in
4 the United States through the CDFI. We finished
5 second. We lost by one vote. So we're the
6 second best in the United States. And
7 unfortunately the bad news is that the mayor and
8 counsel who have blessed this program for last
9 eight years lost the election last night and so I
10 got six new people to break in.

11 MR. STRIDICK: You think we're
12 difficult.

13 MR. LELLI: I practiced on you.

14 MR. STRIDICK: We're training wheels.

15 MR. LELLI: I'm sorry I got carried
16 away.

17 CHAIRWOMAN: Mr. Ferrara. City of
18 Wildwood. This is their request for \$223,388 for
19 boardwalk benches and trash cans.

20 MR. FERRARA: Good morning. I was
21 going to take my Fire Chief Conrad Johnson to
22 lunch but I'm taking him to Vineland for dinner.
23 And I don't want to pick on Howard because it's
24 his first month, but my mayor would have a
25 serious problem with his mayor claiming his town

0085

1 the birth of rock and roll. I know that my mayor
2 has claimed for years to be the town where rock
3 and roll was born where people like Chuck Berry
4 who lived there all his life and American Band
5 Stand, the home of American Band Stand.

6 Good morning, everyone.

7 MR. STRIDICK: Sibling rivalry.

8 MR. FERRARA: Thank you for hearing my
9 application. The first application is for
10 boardwalk benches and trash cans. Historically
11 municipalities like Wildwood were forced to use
12 whatever they had on hand for years. So the
13 standards for trash cans became painted 50 gallon
14 trash -- 50 gallon oil cans. We're now competing
15 with a national tourism industry that's used to
16 things that are a little bit more attractive than
17 those 50 gallon cans. The other problem that
18 comes with that is on any given day the city of
19 Wildwood, for instance, population is about 5200,
20 and any given summer night our population could
21 be 250,000. We have door counts at places like
22 Morey's Pier on a Saturday night 200,000 people.
23 So the way public works usually operates is
24 they'll take that 50 gallon trash can and put
25 five trash bags at the bottom of the can and as

0086

1 they fill up our crews take the bag out, lay it
2 next to the unit and put a new bag in. What this
3 project does actually creates uniformity along
4 the boardwalk. A few months ago I came for you
5 for North Wildwood, our sister community that
6 shares our boardwalk and they bought the same
7 trash cans and same benches. So we're going to
8 have uniform trash cans and benches on the entire
9 boardwalk. It makes us more attractive. It
10 makes us cleaner, more importantly it lets us
11 compete with some of the bigger tourism
12 industries out there. I was told to keep it
13 brief, so I'll stop there. If you have any
14 questions I'll be glad to answer.

15 CHAIRWOMAN: May I have a motion to
16 approve?

17 MS. DAVIS: So moved.

18 CHAIRWOMAN: And second?

19 MR. HURD: Second.

20 CHAIRWOMAN: And any questions. All
21 those in favor say "I".

22 (All in unison said "I".)

23 CHAIRWOMAN: Any opposed? Any
24 abstentions? Motion carries.

25 MR. FERRARA: The next project is our

0087

1 boardwalk sound system for the City of Wildwood.
2 Item "D" is actually the sister application for
3 the City of North Wildwood. The City of Wildwood
4 and the City of North Wildwood historically for
5 years had there owned independent sound systems,
6 they were nothing more than a mishmash of
7 commercial amplifiers and loud speakers with wire
8 strung from lamp post to lamp post. Along with
9 the boardwalk special improvement district, we
10 got very aggressive and decided to design a state
11 of the art system that will enable us to make
12 emergency announcements, lost children
13 announcements, but more importantly, again,
14 compete with other tourism destinations with
15 things like music. Good example that I used in
16 the application was if you've ever been to
17 Disneyland their parade their pumpkin parade or
18 Cinderella parade travels through the streets at
19 Disneyland and what happens is the music follows
20 the parade. So the music is not going on
21 everywhere, it's actually localized to follow the
22 parade. This system will do that. It will also
23 allow both cities to enter information into the
24 sound system independently. The City of North
25 Wildwood will be able to broadcast from either

0088

1 the special improvement district office on 27th
2 Street or from their police substation. The City
3 of Wildwood would be able to broadcast from our
4 information system in Scavenger Avenue. But
5 technology is great nowadays. It's going to
6 allow our police department to broadcast into
7 that system from anywhere in the city. They can
8 do it with a cell phone, they can do it with
9 dispatch, but if there should be some sort of an
10 emergency or lost child, the police can come in
11 and make a public service announcement. Probably
12 one of the most famous uses for the sound system
13 is the national anthem at 12 noon everyday
14 welcomes people to the boardwalk, but it's a
15 great project. It's state of the art. It's a
16 system that was designed by the people that did
17 the sound system for Morey's Piers. So we're
18 very confident in them. We've seen the system in
19 action. We know that it holds up in the salt air
20 which is a big problem for us, everything rots
21 immediately. But they designed the system. If
22 the project is approved from you today it will go
23 out to bid. Hopefully they will be one of the
24 bidder.

25 CHAIRWOMAN: Thank you. May I have a

1 motion?

2 MR. HURD: Motion to move.

3 MS. DAVIS: Second.

4 CHAIRWOMAN: Any questions?

5 MR. STRIDICK: How was it awarded, was
6 it an RP issue?

7 MR. FERRARA: It hasn't been awarded.
8 If it's approved today -- this was just an
9 estimate that was created --

10 MR. STRIDICK: How did you get the
11 estimate? In other words, if you were awarded to
12 the Delaware audio visual integration of the
13 design, was there an RP issued or is it sole
14 source or --

15 MR. FERRARA: The boardwalk SID
16 (Phonetic) works with this company to design the
17 system. They asked -- because of their
18 relationship with Morey's Pier, the boardwalk
19 said -- asked them to design and write an
20 estimate free of charge for the SID. The SID
21 came to me and said this is the type of system
22 that we recommend. If the amount is approved
23 we'll go out to bid on the entire system. So
24 there's no guarantee to this company listed here
25 that designed the system that they will win the

0090

1 bid.

2 MR. STRIDICK: So RP will be issued --

3 MR. FERRARA: Absolutely. They will

4 do an -- our purchasing agent will put the entire

5 system out to bid. And then there's no guarantee

6 that Delaware Valley will win the bid. The

7 lowest bidder will win according to state law.

8 CHAIRWOMAN: Any other questions? We

9 will go to vote. All in favor say "I".

10 (All in unison said "I".)

11 CHAIRWOMAN: Any opposed? Any

12 abstentions? Motion carries.

13 MR. FERRARA: Thank you. Next item on

14 the agenda I would like to introduce my buyer

15 Chief Conrad Johnson. The project is for

16 \$119,800 for ambulance rescue vehicle purchase.

17 One of the reasons I put our schedule on the

18 table before the meeting along with our Doo Wop

19 design book which I'll talk about in a minute.

20 Was just to give you an indication of how many

21 events we have throughout the year. The City of

22 Wildwood fire department already has three rescue

23 units that they use for day-to-day service. But

24 because of the large number of events it's

25 necessary to stage one of these vehicles at most

0091

1 of these events. And that's what this project
2 will do. It creates a unit show that we don't
3 tie up one of our regular rescue units to take
4 care of all the tourism-related business. So
5 with that I'll --

6 CHIEF JOHNSON: Thank you. Connie I
7 go by. But as Lou said we staff well over 200
8 events. And I'd like to start out by saying this
9 is a kind of a direct result of the success of
10 the UEZ in Wildwood. Businesses, the special
11 improved business in the boardwalk, the business
12 district downtown because of their success I've
13 extended our season greatly. Our season goes
14 well into actually into December believe it or
15 not. We have to staff many events. At times
16 we've actually have had to take those ambulances
17 that we assign to those events because we only
18 have the three that we operate. We've had to
19 leave that event with the staff at ambulance for
20 other emergency, but at the same time we're still
21 responsible for covering any emergencies in the
22 town. So it's vital that we can dedicate an
23 ambulance with the staff that we send to these
24 events and not to have that ambulance leave. A
25 few times we've had prior to getting our third

0092

1 ambulance about two years ago we actually have
2 had the borrow ambulances to be able to staff
3 these events. And obviously with the success of
4 the UEZ and the special improvement district the
5 reasons we staff the events is because the large
6 numbers of people, some of the hazards involved,
7 you know, we're talking about a large boat shows,
8 and generally people climbing on the boats and
9 motorcycle shows, car shows, you name it we have
10 to staff these events. And the ambulances have
11 to be at these events. We're just trying to be
12 able staff those, still provide the service that
13 the community needs and not have to actually take
14 ambulances and resources. Once we dedicated to
15 an event that's business sponsor or convention
16 center sponsor we could dedicate it and leave it
17 there and ensure for the most part not going to
18 have to leave the event.

19 CHAIRWOMAN: Okay. Thank you. May we
20 have a motion to approve?

21 MR. STRIDICK: So moved.

22 CHAIRWOMAN: Second?

23 MR. HURD: Second. Mr. Hurd, thank
24 you.

25 CHAIRWOMAN: Any questions?

0093

1 MR. ABELAR: I just have a brief
2 comment. In the future it will be a good idea to
3 ask the sponsoring business to contribute to
4 these services.

5 CHIEF JOHNSON: We have considered
6 that. And we have gotten other limited small
7 amount of equipments, some equipment that goes on
8 the ambulances and things like that. We had
9 gotten that and we take that. Definitely
10 consider that in bigger events.

11 MR. ABELAR: But we're funding 100
12 percent of the services here.

13 CHIEF JOHNSON: Well, the city is
14 through bonding an additional 30,000. The entire
15 project is 139. So, yes.

16 MR. ABELAR: So business sponsors
17 seminar or any events and doesn't pay anything
18 related to --

19 CHIEF JOHNSON: Some of the convention
20 center events that are not city related or are
21 not business related, not special improvement
22 district related pay for staffing at those
23 events. But the majority of them do not.

24 MR. STRIDICK: I have a question.
25 You're increasing your fleet by 33 percent with

0094

1 the fourth vehicle. So do you have staff to
2 cover it?

3 CHIEF JOHNSON: Yes. Staffing hasn't
4 been an issue. It's just the equipment.

5 MR. FERRARA: Like the Chief said in A
6 big event, the events creators will pay for the
7 staff. They either the downtown SID, the
8 boardwalk SID, the convention center. It's great
9 that we have all these organizations that have
10 come forward to help their communities, but one
11 down side for the city is they're constantly
12 looking for services and this is one of the
13 things that we feel we have to provide.

14 CHIEF JOHNSON: We typically bring in
15 additional staff already on duty.

16 MR. STRIDICK: Okay.

17 CHAIRWOMAN: Any other questions? Any
18 comments? Okay. We'll take a vote. All in
19 favor "I".

20 (All in unison said "I".)

21 CHAIRWOMAN: Any opposed? Any
22 abstentions? Motion carries.

23 MR. FERRARA: Thank you. The next
24 project is the City of North Wildwood boardwalk
25 sound system. This is the sister project for the

0095

1 project I described a minute ago. It is the same
2 identical system that is going to be mirrored in
3 North Wildwood. It actually splits on 26th
4 Street. North Wildwood has fewer blocks so it's
5 a little business expensive, less tolls, less
6 mileage. And one thing that you'll notice in the
7 proposal is a small amount I believe it's around
8 \$5,000 that the two cities share for the
9 equipment that ties these two systems together.
10 So in this world of mutual or -- mutual
11 cooperation between communities, I think is
12 terrific that the City of Wildwood and North
13 Wildwood got together on this and decided to do
14 this as one big city rather than go out and look
15 for their own system.

16 CHAIRWOMAN: Okay. Can I have a
17 motion?

18 MR. HURD: So moved.

19 CHAIRWOMAN: Second?

20 MS. LINDSEY: Second.

21 CHAIRWOMAN: And any comments,
22 questions? Vote. All in favor "I".

23 (All in unison said "I".)

24 CHAIRWOMAN: All opposed? Thank you.

25 MR. FERRARA: Just --

0096

1 CHAIRWOMAN: Motion carries.

2 MR. FERRARA: Before I leave, the book
3 that I put on your tables "How to Doo Wop" is one
4 of our first design guides. What we're trying do
5 as a community is steer the building community to
6 create architecture that's consistent with what's
7 known as our Doo Wop architecture or our mid
8 century architecture. The city is world
9 recognized for some of its architecture that we
10 have and this book when a developer comes in like
11 Commerce Bank or McDonald's or Burger King,
12 whoever it may be, the Planning Board always
13 recommends that they work with the committee like
14 our Doo Wop preservation league to create
15 architecture that's consistent with our
16 community. In the next few weeks we're going to
17 have our second publication which is our
18 boardwalk design guide. We worked for months on
19 that. It's going to look very similar to this
20 book, but what it's going to do is when someone
21 buys a property on the boardwalk it's going to
22 offer guidance to our architecture and how to fit
23 in where a community to make it a better overall
24 community. That was also done in conjunction
25 with North Wildwood. Thank you everyone.

0097

1 CHAIRWOMAN: Agenda item 17 through 21
2 these agendas will be taken as one motion unless
3 a commissioner has a specific concern. Does
4 anyone have concerns? Okay. I have a motion to
5 approve.

6 MR. HURD: So moved.

7 MS. DAVIS: Second.

8 CHAIRWOMAN: All those in favor say
9 "I".

10 (All in unison said "I".)

11 CHAIRWOMAN: Any opposed? Any
12 abstentions? Motion carries. We'll move to old
13 business. Does anyone have any comments for the
14 record? Okay. Next we'll open to the public.
15 Are there any comments from the public for the
16 record?

17 MR. RODRIGUES: Yes. I want to -- on
18 the question of the police. Within your packet
19 if you want to go back, unfortunately I
20 apologize, within your packet there's a
21 resolution to the City of Elizabeth Police
22 Department and the city counsel which outlines
23 the rate per hour for police sergeants, for
24 police lieutenants and police captains as well as
25 for regular officers when they're involved in

0098

1 streetscapes of this type. So sometimes the
2 nature of the improvement will dictate one to two
3 officers. So that's the reason why the cost
4 there is such. It's in your packet. You'll see
5 police -- they don't have it? They don't have
6 the attachment?

7 MR. STRIDICK: But on your schedule,
8 in your estimate it's listed as man hours so that
9 doesn't mean that, to me at least, that doesn't
10 say that there's actually three police officers
11 on duty, that seems individual man hours at \$120
12 an hour and here you say it's accumulative total
13 for the package for however many police officers
14 are needed for traffic.

15 MR. RODRIGUES: Correct. Yeah,
16 because when the engineer starts digging and
17 doing the streetscape they don't know how much
18 intensive work is needed. So they'll bring in
19 another officer need be and they'll situate him
20 or her and as if he points to the streetscape to
21 allow the flow of traffic. That's why -- I
22 thought it was in your packet there is a break
23 down of cost for officer.

24 MR. STRIDICK: But in the engineer's
25 estimate it's labeled as man hour and so it's

0099

1 actually a package hour.

2 MR. RODRIGUES: Correct. And it's for
3 the whole police control crew whether it's two or
4 three that's needed for the street work. It's
5 inclusive.

6 MS. KUBE: It's up to \$120?

7 MR. RODRIGUES: It could be less. It
8 could be less.

9 ANTHONY: That would include three
10 officers for some of the utility work that we've
11 got excavation like 15, 10 to 15 feet. So you
12 need one officer I guess basically protecting the
13 excavation area and then the two officers on both
14 ends for traffic control, that's the worst case
15 scenario.

16 MS. BRUCK: Does that satisfy the
17 board because if so there would be no further
18 recording. We could move on.

19 MR. STRIDICK: That clarification as
20 presented satisfies my questions with regard to
21 the \$120 per man hour. It's actually for point
22 of clarification kind of a package purchase of
23 police or traffic protection that would cost \$120
24 an hour for no matter what police are needed.

25 MR. RODRIGUES: Correct. Correct.

0100

1 MS. BRUCK: Thank you. Very much.

2 Saves a few e-mails, to say the least.

3 CHAIRWOMAN: Mr. Ayres.

4 MR. AYRES: Yes. Don Ayres from City

5 of Millville just inquiring as to the prevailing

6 wage issues, if there's any further information

7 or guidance for the zones?

8 MS. BRUCK: It's still being

9 considered and debated between the attorney

10 general's office and the Department of Labor and

11 we have -- if you have a specific question that

12 perhaps I could address, I might be able to

13 answer that, but there are still some issues that

14 are outstanding.

15 MR. AYRES: We would all like to know

16 if there's a decision the use of the sales tax

17 exempt certificate trigger prevailing wage and in

18 the meantime while discussions are being held as

19 Jim said there are lawsuits going on and

20 yesterday I got an e-mail that labor is coming

21 down, want to see my files. And it's, you know,

22 it's all ramped in Cumberland County throughout

23 the business community and the contract community

24 and everyone is in an uproar and --

25 MS. BRUCK: Understood. Well, I can

0101

1 tell you that that is probably the one in terms
2 of application of prevailing wage the one major
3 outstanding issue is whether or not the sales tax
4 exemption is going to trigger prevailing wage.
5 Now, some of the other cases that I'm aware of
6 are pretty much black and white in my view in
7 terms of talking about facade grants and things
8 like that that currently the floor is \$2,000 for
9 construction contracts. So I think that there
10 might have been some business owners or
11 contractors who either are unaware or weren't
12 thinking about prevailing wage when they took UEZ
13 funds. So I'm not going to get to the specific
14 of that. But otherwise for construction using
15 UEZ funds for construction, yes, triggers
16 prevailing wage in general and that would include
17 take out financing that was required as a
18 condition of getting construction financing for
19 improvements. And it's my understanding that
20 that has been a long standing position and
21 interpretation of prevailing wage loss.

22 MR. AYRES: Take out use --

23 MS. BRUCK: Now, the issue of use of
24 the tax exemption, that's correct, we had a
25 meeting yesterday and hopefully we'll have that

1 written in stone to you in a few days as soon as
2 possible. And I understand the anxiety and
3 appreciate your patience.

4 MR. AYRES: Just as a comment, the
5 sales tax exemption certificate triggers
6 prevailing wages then, you know, we're about to
7 the end.

8 MS. BRUCK: We've made the appropriate
9 arguments and we're hopeful that they'll, you
10 know, see it our way.

11 CHAIRWOMAN: We're really --

12 MR. AYRES: I hope so too. It's like
13 we're going off the cliff.

14 CHAIRWOMAN: But just to let everyone
15 know here that we're very much on top of this.
16 We're very aware of the issues. We had a meeting
17 yesterday, the governor's office, with the
18 commissioner of labor, David Sacalo (Phonetic),
19 myself, Trish, Kathy, they are aware. They know
20 how important it is for them to come and give us,
21 you know, a definitive answer and we have
22 meetings on this and talk about this everyday
23 probably for the last two weeks. So I don't want
24 anyone to think that we're not very concerned
25 about this. And we will get an answer to you as

0103

1 soon as we receive an answer.

2 MS. BRUCK: I think that one thing
3 that is clear is just by virtue of being in the
4 program does not trigger prevailing wage.

5 PUBLIC: But if you can't use the
6 sales tax exempt, what good is it being in the
7 program?

8 MS. BRUCK: Using the sales tax
9 exemption for the construction material we're
10 talking about. But just by virtue of being in
11 the program is not going to trigger prevailing
12 wage and think that was a concern at some point
13 in time and I just want to make that clear.

14 MR. LELLI: There was some concern
15 because if you build a new building and you get a
16 real estate tax exemption based on that new
17 construction they're saying that triggers
18 prevailing wage.

19 MS. BRUCK: You mean a real estate tax
20 exemption outside of --

21 MR. LELLI: Five year program.

22 MS. BRUCK: Excuse me. Outside of the
23 UEZ program?

24 MR. LELLI: Yes.

25 MS. BRUCK: Like a pilot type thing.

0104

1 MS. FOROSISKY: Yes.

2 MS. BRUCK: That's another issue that
3 is not UEZ related, that is simply doing business
4 in the state of New Jersey. That's not something
5 that we're specifically addressing with labor
6 right now because that's outside the scope of
7 what we're dealing with. But certainly I'll keep
8 that -- it goes in the same vein, does it not.

9 MS. FOROSISKY: It is, you know --
10 you're saying it's black and white that take out
11 financing and we understand that now, but there
12 seems to be some confusion and if that was always
13 the case there's 32 UEZ's we asked if it was just
14 Vineland and it was overwhelming, no, we're all
15 doing it. Is there going to be a grandfather or
16 can they go back to, you know --

17 MS. BRUCK: That's another thing that
18 we are addressing as because of the sort of
19 newness, if you will, of the issue as it relates
20 to this program in particular we are looking into
21 whether or not, yes, to prevent a catastrophe
22 from happening.

23 MS. FOROSISKY: Thank you.

24 MS. BRUCK: And to look at this
25 prospectively with labor and to work it out in

1 that way. But we have no answers as to either.
2 And frankly on that point I don't know that
3 they're ever going to give us a specific
4 direction on that because if they see -- if they
5 saw a major issue, something that was very
6 blatant that happened in 2003/2004, I don't think
7 that they would be able to promise to us that
8 they wouldn't go after, but that's not the case
9 at this point in time. Am I making myself
10 clear?

11 MS. FOROSISKY: Yes. The fear is when
12 these two projects get say, "Oh, they should have
13 been prevailing wage", then every job that
14 someone works on but two or three years ago
15 they're all now going to file that I should have
16 gotten prevailing wage and it will -- there will
17 be a domino effect.

18 MS. BRUCK: Well, I don't know what
19 the statute limitation is, if any, is under the
20 prevailing wage loss, that's one thing. But also
21 I mean if it was something very -- that should
22 very clearly been prevailing wage as opposed to
23 some of the gray areas that we're dealing with
24 now, I don't know that we're going to get a
25 promise from them that they're not going to go

1 back. I think we should deal with what's
2 happening in the present rather than
3 anticipating. But we are dealing with that issue
4 retroactivity as well as the sales tax
5 exemption. And just rapping it up, that was
6 retroactivity was definitely addressed
7 yesterday.

8 MR. FERRARA: Just to bring this back
9 into perspective. I agree that the loan and
10 grant program is a serious issue, but as far as
11 UEZ four and five is concerned in reality, you
12 know, in my zone anyway, unless someone is
13 building a brand new building, you know, spending
14 millions of dollars, we're talking about little
15 mom and pops that might use UEZ four or UEZ five
16 to buy some lumber or screws or nails, you know.
17 Remember, there is a \$2500 exception or \$25,000
18 exception.

19 MS. BRUCK: It's currently to
20 construction contract over \$2,000, but I don't
21 mind telling you that we're looking to other ways
22 of structuring it so that it would help the mom
23 and pop businesses who are buying the nails. But
24 I have to say some of those people doing the work
25 themselves, obviously they're not going to be

1 affected.

2 MR. FERRARA: Exactly.

3 MS. BRUCK: They're not entering into
4 a construction --

5 MR. FERRARA: Like you said, to bring
6 it back, right away people jump into conclusion
7 and it's going to kill -- it's going to kill --
8 again, when it comes to mom and pops, there's
9 that \$2,000 limit and if they're doing the work
10 themselves --

11 MS. BRUCK: There's no issue.

12 MR. FERRARA: There's no issue. So
13 granted if someone in my zone is building -- we
14 just got a CAPA permit for our first 25 story
15 resort facility for -- been a long time coming,
16 no doubt that they'll have to pay prevailing wage
17 if they spend \$20 million on construction
18 materials. That's part of being in the program.
19 So I appreciate all the help --

20 MS. BRUCK: Thank you.

21 MR. FERRARA: -- fighting the cause
22 for us.

23 MS. BRUCK: Thank you. That's worth
24 it then.

25 CHAIRWOMAN: Any other questions or

0108

1 comments?

2 PUBLIC: Has the UEZ Board commission
3 been assigned on this issue or is it still been
4 negotiated? How is that being determined?

5 MS. BRUCK: There hasn't been
6 anything. When it's articulated it will come
7 from the authority. There hasn't been any vote
8 or anything of that nature. It's really dealing
9 with the governor's office pretty much,
10 Department of Labor. I mean, we're being
11 advocates for the program, but within the limits
12 as what we see is the law.

13 MR. FERRARA: Is there some
14 stipulation in the UEZ legislation that says that
15 any outside legislature affects the UEZ
16 legislation must be evaluated for its impact on
17 UEZ legislation, if I'm reading that correctly?

18 MS. BRUCK: Not to my knowledge. I
19 mean, if you look at all these laws together and
20 they overlap -- I mean, you have your own
21 requirements on a municipal level. You have a
22 lot of layers of concerns.

23 PUBLIC: I might add that what Mr.
24 Peters for years, years that I sat here always
25 reminded people that prevailing wage was an

0109

1 issue.

2 MS. BRUCK: Right. And it's an
3 issue. But the thing is when you have an issue,
4 what's -- how is it going to fall out when
5 there's a gray area, that's what we're working
6 on. But what we came up in the few projects as
7 far as I know is that we're -- facade program,
8 for example, is that prevailing wage? Yes.
9 Right?

10 PUBLIC: If it's paid for -- again,
11 look at the limits and --

12 MS. BRUCK: Other than the limits, if
13 it falls over \$2,000 construction contract. But
14 I think there was some oversight also on some
15 people's part and I'm not saying you people, but
16 people just weren't mindful or thinking of the
17 fact that prevailing wage needs to be paid when I
18 think if you looked at it you know that it
19 should. Do you know what I'm saying?

20 PUBLIC: Absolutely. I would, you
21 know, I have to admit if someone in my town were
22 giving a \$50,000 facade grant they would be
23 subject to prevailing wage.

24 MS. BRUCK: Exactly.

25 PUBLIC: Somebody who spoke said

0110

1 that's not the case.

2 MS. BRUCK: The facade grants?

3 PUBLIC: Or any project which the UEZ

4 or the town is not in direct privy with the

5 contractor prevailing wage is not applicable.

6 MS. BRUCK: I want to know who told

7 you that from the Department of Labor.

8 PUBLIC: I'll provide you with that

9 e-mail that I've been operating. We've been

10 operating this program.

11 MS. FOROSISKY: We have --

12 MS. BRUCK: But in 2006 we clearly

13 came out and that went to the issue of

14 retroactivity because in 2006 our office clearly

15 came out and said prevailing wage applies. So

16 from that point on everybody was on notice.

17 KEVIN J. MIZIKAR: But my e-mail from

18 UEZ -- I had both phone and e-mail conversations

19 with the Department of Labor, the gentleman's

20 last name is Sheffield. It circulated all the

21 coordinators and specifically asked him if a

22 grant funding to UEZ business versus the UEZ

23 directly cutting a check to a contractor for work

24 done to UEZ businesses is different. In so many

25 words he said, yes, there is a difference. As

0111

1 Mr. Portnoy just said it's only if the check is
2 cut directly to the business with prevailing wage
3 it's applicable.

4 MS. BRUCK: That's not my
5 understanding, and I'm not aware of that
6 particular situation, but if it's what I'm
7 thinking of, I think that they dispute that
8 that's what was said.

9 KEVIN J. MIZIKAR: I understand that
10 they dispute it, but I don't dispute.

11 MS. FOROSISKY: I know that -- I was
12 at the same work shop and I walked away with the
13 impression that as long -- there should be no
14 construction contract. So I know Vineland and
15 like many others we only do permanent financing
16 and we really actually thought we were acting --
17 I mean, now obviously it's clearly we weren't,
18 but somehow -- and we asked and maybe there's a
19 few of you, but the majority of the 32
20 coordinators were saying, yes, we're all
21 operating under that same premise. So I don't
22 know how we missed it, but we did. I mean, it
23 wasn't intentional, but I know when I walked away
24 and that's why we do not let our facade do any
25 construction. Does it enable construction? Yes,

0112

1 I'm not going to dispute that now, but we only do
2 permanent mortgages. They are on their own
3 finding construction financing. So we were clear
4 that if we funded the construction it was
5 prevailing wage. We thought permanent mortgages
6 was, you know, because they're clearly on their
7 own in getting construction financing. I mean --

8 MS. BRUCK: I can understand how you
9 might miss that issue, but that's far --

10 MS. FOROSISKY: Everybody has been
11 doing that.

12 MS. BRUCK: It's unfortunate, but as
13 far as I've been told that's the position of the
14 Department of Labor going way back. But we have
15 to deal --

16 MS. FOROSISKY: I thank you.

17 MS. BRUCK: We're trying to sort it
18 out to make it as painless as possible and make
19 it as clear so we don't have these kinds of
20 problems in the future.

21 MS. FOROSISKY: Yes, because it's a
22 lawsuit now and it's serious.

23 PUBLIC: Take it to the next step,
24 what if I give the grant to the local SID and
25 then the SID grant does facade grants with that

0113

1 funding, how do I control that?

2 MS. BRUCK: Well, the city is governed
3 by its own prevailing wage department, that's
4 different.

5 PUBLIC: I mean, the special --

6 MR. HURD: The SID.

7 MS. BRUCK: The SID. Then, I don't
8 understand.

9 PUBLIC: That's why I think their
10 argument has merit. Once it leaves our control
11 how do --

12 MS. BRUCK: It's not the way the
13 definition is.

14 PUBLIC: I understand.

15 MS. FOROSISKY: Now, we understand.

16 MR. PORTNOY: I understand, but --

17 MS. BRUCK: Anything else?

18 CHAIRWOMAN: Any other comments,
19 questions because I'm going to call for
20 adjournment. May I have a motion to adjourn.

21 MR. HURD: Move.

22 MR. STRIDICK: Second.

23 CHAIRWOMAN: All in favor?

24 (All in unison said "I".)

25 (Concluded at 12:15 p.m.)

1 C E R T I F I C A T E

2

3 I, MARIBEL SYPNIEWSKI, a Certified Shorthand
4 Reporter and Notary Public of the State of New
5 Jersey, do hereby certify that prior to the
6 commencement of the examination, the witness was
7 duly sworn by me to testify the truth, the whole
8 truth and nothing but the truth.

9 I DO FURTHER CERTIFY that the
10 foregoing is a true and accurate transcript of
11 the testimony as taken stenographically by and
12 before me at the time, place and on the date
13 hereinbefore set forth, to the best of my
14 ability.

15 I DO FURTHER CERTIFY that I am
16 neither a relative nor employee nor attorney nor
17 counsel of any of the parties to this action, and
18 that I am neither a relative nor employee of such
19 attorney or counsel, and that I am not
20 financially interested in the action.

21

22

23 MARIBEL SYPNIEWSKI, C.S.R.

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25 May 29, 2008