NEW JERSEY URBAN ENTERPRISE ZONE (UEZ) AUTHORITY MEETING
Wednesday April 10, 2019 – 2:00 p.m.
101 S. Broad Street, Conf. Room 129, 1ST Floor
Trenton, New Jersey 08625

Minutes:

Notice of Public Meeting: Read by Urban Enterprise Zone (UEZ) Executive Director Tracy Fredericks: In compliance with the Open Public Meetings Act, at least 48 hours' notice of this meeting was sent by way of the Secretary of State to the following newspapers: The Star-Ledger, The Trenton Times, The Trentonian, The Courier-Post, The Atlantic City Press, The Asbury Park Press, The Bergen Record, and The Home News.

The following recusal process will be followed at all UEZ Board meetings:

1) To the extent feasible, meeting materials involving a matter from which a Board member must recuse himself or herself will not be distributed to the Board member. 2) At the subject Board meeting, the Board member must place his or her recusal and the reason therefor on the record before discussing the matter and shall not participate in any discussion or comment leading up to the vote, nor shall the member participate in the vote. The recusal shall be noted in the minutes of the Board meeting.
3) In the event the matter in question shall be discussed at any non-public portion or executory session of the meeting, the Board member shall leave the meeting room and not return until the discussion has returned to public session.

Roll Call: Danielle Esser, Special Authority Board Chair Designee, Commissioner of Labor Robert Asaro-Angelo, Julie Diaz (Labor Designee), Denise Harding (Treasury Designee), Sean Thompson (Department of Community Affairs Designee), Lewis Hurd, Public Member, Eric Jaso, Public Member, Tracy Fredericks, Urban Enterprise Zone Executive Director, Laura Drahushak, Deputy Attorney General, Division of Law participated in person while; Adam Sternbach, Governor's Authority Unit, and Taneshia Laird, Public Member participated via teleconference.

UEZ Authority Minutes.

Authority Discussion: Eric Jaso suggested two corrections to the minutes: correct the word “statute” and insert a missing word in the second paragraph to read “overall recommendation to revise the appropriation of the funding.” Corrections were made to the minutes on April 12, 2019.
Approval of January 23, 2019, UEZ Authority meeting minutes:
Motions:
• Approve: Eric Jaso
• Second: Lewis Hurd
• Ayes: 7
• Noes: 0
• Recusals: 0
• Abstentions: 0
Motion carried with a correction to the minutes with a vote (7/0/0/0).

New Business:

Project: 2017 Audit Resolution Approval
Motions:
Approve: Eric Jaso
Second: Lewis Hurd
Ayes: 7
Noes: 0
Recusals: 0
Abstentions: 0
Motion carried with a vote (7/0/0/0).

Authority Discussion: Presentation by Digesh Patel, Partner, Mercadien
After the presentation, Eric Jaso asked who was considered management for this Audit; Digesh Patel explained that the Executive Director of UEZ, Tracy Fredericks, holds this role.

Eric Jaso asked whether there were any outstanding loans. Mr. Patel explained that loans are no longer given but if they were, entries would have been included separately on the Audit's balance sheet.

Resolution passed.

Project: 2018-2019 RFP Audit Contract Resolution
Motions:
Approve: Eric Jaso
Second: Lewis Hurd
Ayes: 7
Noes: 0
Recusals: 0
Abstentions: 0
Motion carried with a vote (7/0/0/0).
Authority Discussion: Tracy Fredericks gave an overview of the audit 2018 and 2019 RFP process.

- The audit RFP was issued on March 5, 2019, with responses due on March 27, 2019.
- Three out of 13 vendors responded and submitted their proposals.
- On March 28, the best and final offer was sent out, and the responses were due back on March 29. Two of the three vendors who submitted reduced their fees.
- The Audit Committee met via conference call on April 2 to discuss the process and proposals. They sent their ratings back to DCA by April 3, 2019, and selected Mercadien as the new vendor, at $10,028 per Audit.

Lewis Hurd enquired about the number of years Mercadien performed UEZ audits in the past. Ms. Fredericks responded by saying she was aware of the last bid that included 2015, 2016, and 2017. Lewis Hurd also asked about the number of years a vendor is eligible to perform consecutive audits before a new vendor is considered. Ms. Fredericks answered there is no limit if the State's process is followed and the contractor is on the State’s vendor’s list. It was also noted that in prior years Mercadien was the only vendor to apply to the RFP requests.

Resolution passed.

Project: 2019 UEZ Assessment Update

Executive Director Tracy Fredericks gave a brief overview of the UEZ Assessment process to date.

The Department of Community Affairs (DCA) committee, via an RFP process selected Thomas Edison State University (TESC) in partnership with PEL Analytics and Anderson Consulting to conduct the Assessment. TESC, led by Executive Director, Barbara George Johnson, will manage the project.

The purpose of the Assessment is to review:

- the efficiency of the State's administration of the program;
- the adequacy of past funding for UEZs in furthering the goals of the NJ UEZ Act;
- whether changes are needed in future funding for UEZ to further these goals;
- whether the process by which UEZs are delineated within a municipality is clear and efficient;
- whether the criteria established for eligibility to assist fiscally distressed municipalities is appropriate; and
- what parameters shall be established to keep UEZ municipalities competitive while providing sufficient return on state investment.

The consulting team began its work officially on March 15th and is expected to present findings on July 31, 2019, to senior leadership at the DCA. Results will be given to the UEZ Executive Director, DCA Commissioner, Authority Board, local UEZ Coordinators, Governor, and the State's Legislative body, who ultimately will make the final decision on the program's future.
The assessment results could be available and accessible to the Board for the October 23 meeting.

Public member Taneisha Laird stated that she believes that one of the reasons the UEZ program was rejected is because it was not in alignment with the previous administration's beliefs on economic development.

**Old Business:**

**Other**

None

**Open to the public**

None

**Adjournment:** 2:27 pm

**Motions:**

Adjourn: Lewis Hurd
Second: Eric Jaso
Ayes: 0
Noes: 0
Recusals: 0
Abstentions: 0
Motion carried with a vote (7/0/0/0).

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Ebony McNeill, taken on April 10, 2019
Urban Enterprise Zone Authority Meeting