STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
LOCAL FINANCE BOARD

101 South Broad Street
Trenton, New Jersey
AUGUST 13, 2015

BEFORE: TIMOTHY J. CUNNINGHAM, CHAIRMAN
IDIDA RODRIGUEZ
TED LIGHT
FRANCIS BLEE

ALSO PRESENT: PATRICIA PARKIN McNAMARA,
Executive Secretary
EMMA SALAY,
Deputy Executive Secretary

APPEARANCES:

JOHN HOFFMAN, ACTING ATTORNEY GENERAL
BY: MELANIE WALTER,
Deputy Attorney General
For the Board

STATE SHORTHAND REPORTING SERVICES, INC.

STATE SHORTHAND REPORTING SERVICE, INC.
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STATE SHORTHAND REPORTING SERVICE, INC.
CHAIRMAN CUNNINGHAM: Good morning,

we'll start today's meeting. This meeting was
previously open to the public upstairs, so we need
not do any formal action. I do want to just make
a statement prior to the start of today's meeting,
which is to say that the Governor signed Senate
Bill 2454, which is commonly known as the DLGS
clean up bill. That bill will affect some actions
that the board currently takes. The division will
be sending out a local finance notice or a series
of local finance notices going forward.

But as an example, the board will no
longer have to consider matters involving the
environmental infrastructure trust on the agenda,
adoptions of Port Authority budgets, those things
we have on the agenda today. Out of an abundance
of caution and considering that the applications
before the board came in prior to the legislation
being signed, we're going to leave the agenda the
way it is. But going forward, as I said, certain
matters won't have to come in front of the board
anymore and will hopefully speed up the agenda and
the operations of the division. So I think that's
good news for all involved. And I thank the staff
who worked very, very hard to get that bill in a
form that could make its way through the
legislature and ultimately be signed by the
governor.

So as that being a perfect segue, moving
into matters on the consent agenda. First matter
in front of the board is an EIT program regarding
the Old Bridge Municipal Utilities Authority.
It's a proposed financing, so we would need to
take a vote on that as a board. And I would ask
for a motion and a second.

We're doing them separately. He has to
recuse on Middlesex, but he doesn't have to on?
So Old Bridge, I would ask for a motion and a second.

MR. LIGHT: Motion.

MS. RODRIGUEZ: Second.

CHAIRMAN CUNNINGHAM: Thank you. Roll
call.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.
CHAIRMAN CUNNINGHAM: Okay. On the next matter, similarly is proposed project financing for the Middlesex County Utilities Authority. I know Mr. Light has to recuse on that matter, so I would ask for a motion.

MS. RODRIGUEZ: I make a motion.

MR. BLEE: Second.

CHAIRMAN CUNNINGHAM: Thank you. Roll call.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: I recuse myself on that one. I'm one of the commissioners on that board.

CHAIRMAN CUNNINGHAM: Thank you, Mr. Light.

The next three applications are also considered on consent agenda, they're all fire districts that are seeking to purchase new equipment. They all undertook the appropriate public process and shopped for competitive

STATE SHORTHAND REPORTING SERVICE, INC.
financing. Board staff had no issues with the applications as submitted, so we moved them to the consent agenda. Pat, you want three separate votes or one? One vote for the matters. I'll read them off, Little Egg Harbor Township Fire District Number 2, Lambertville City Fire District Number 1, Moorestown Township Fire District Number 2. May I have a motion and a second?

    MR. BLEE: Motion.

    MR. LIGHT: Second.

    CHAIRMAN CUNNINGHAM: Thank you very much. Roll call.

    MS. McNAMARA: Mr. Cunningham.

    CHAIRMAN CUNNINGHAM: Yes.

    MS. McNAMARA: Ms. Rodriguez.

    MS. RODRIGUEZ: Yes.

    MS. McNAMARA: Mr. Blee.

    MR. BLEE: Yes.

    MS. McNAMARA: Mr. Light.

    MR. LIGHT: Yes.

    CHAIRMAN CUNNINGHAM: Also on consent agenda today is a matter arising out of the City of Plainfield. This is a $2 million proposed adoption of a bond ordinance pursuant to the qualified bond program. Because they're a
qualified bond program town, they have to come in
front of the board. But they may not and likely
will not issue the debt on a QVA basis, given that
the City has a very advantageous bond rating. So
we moved this to the consent agenda. And I would
ask for a motion and a second.

  MR. BLEE: So moved.

  MS. RODRIGUEZ: Second.

  CHAIRMAN CUNNINGHAM: We have a motion
and a second for Plainfield City. I would ask for
roll call on that matter.

  MS. McNAMARA: Mr. Cunningham.

  CHAIRMAN CUNNINGHAM: Yes.

  MS. McNAMARA: Ms. Rodriguez.

  MS. RODRIGUEZ: Yes.

  MS. McNAMARA: Mr. Blee.

  MR. BLEE: Yes.

  MS. McNAMARA: Mr. Light.

  MR. LIGHT: Yes.

  CHAIRMAN CUNNINGHAM: And the last
matter, which is again being considered on a
consent basis today, is the Woodstown Sewerage
Authority. This is a proposed project financing
through the USDA. Because of their requirements,
their maturity schedules, and payment schedules,
we understand why that comes in front of the board, but had no issues with the application. So I would ask a for a motion and second on that as well.

MS. RODRIGUEZ: Motion.
MR. LIGHT: Second.
CHAIRMAN CUNNINGHAM: Roll call.
MS. McNAMARA: Mr. Cunningham.
CHAIRMAN CUNNINGHAM: Yes.
MS. McNAMARA: Ms. Rodriguez.
MS. RODRIGUEZ: Yes.
MS. McNAMARA: Mr. Blee.
MR. BLEE: Yes.
MS. McNAMARA: Mr. Light.
MR. LIGHT: Yes.
CHAIRMAN CUNNINGHAM: Okay. And I realize we could have taken them in one vote, but we did it separately, no big deal. That brings us to the Westville Fire District Number 1. Good morning. Would you kindly identify yourself for the court reporter?
MR. PAUL: Edward F. Paul, Junior, RMA, representing Westville Fire District and Ball, Buckley and Seher.
EDWARD PAUL, after having been duly sworn, did testify as follows:

MR. PAUL: Good morning, gentlemen.

This application is for the acquisition of a replacement piece of fire apparatus which was approved by the voters by an 89.18 percent rate. It calls for a total cost of the apparatus not to exceed $850,000, with 845,000 of that to be financed by a capital lease.

The application was originally submitted for capital lease for the $548,000. I apologize to this board, but it should have been amended. I was not informed until a week ago that they had found that one valve had been omitted from the truck, which was a very important valve. And it caused a $1,950 increase in the cost of the truck. And therefore, the lease went from 848 to $849,500.

CHAIRMAN CUNNINGHAM: Okay.

MR. PAUL: Still within the limits of what they voters approved.

CHAIRMAN CUNNINGHAM: As I read the application, a significant amount of cash down is being utilized?
MR. PAUL: Yes.

CHAIRMAN CUNNINGHAM: The district is using a recognized co-op for the purchase and shopped around for a competitive rate, that being 3.39 percent. And the public referendum was passed 89 in favor, 8 opposed.

The only issue I have, we would have moved this to the consent, but we still have not received, as a division, the district's 2014 audit.

MR. PAUL: The audit was filed shortly after the application was filed.

CHAIRMAN CUNNINGHAM: Okay. We'll take that, as long as we have it in, we'll take that. And then I know it's a minor issue, but just to make the district aware, there was, I believe, a typo on the website regarding the fire district email. And I think that was brought to the attention of the district for a correction. Again, that was just a minor technicality we noticed while reviewing the application.

Do any of the board members have any questions regarding this matter?

MR. LIGHT: Do you want the motion to be made contingent on receipt of the audit or do you...
accept that it's coming in?

CHAIRMAN CUNNINGHAM: We have it now.

MR. LIGHT: Okay.

CHAIRMAN CUNNINGHAM: So I'll take a

motion.

MR. LIGHT: Make a motion.

MS. RODRIGUEZ: I'll second.

CHAIRMAN CUNNINGHAM: Take roll call,

please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Thank you very

much.

MR. PAUL: Thank you very much.

CHAIRMAN CUNNINGHAM: Next matter before

the board is Pennington Borough Fire District

Number 1. Good morning.

MR. BLACKWELL: Good morning. My name

is Mark Blackwell, Pennington Borough Board of
Fire Commissioners, chairman of the board,
representing the board here today.

MARK BLACKWELL, after having been
duly sworn, did testify as follows:

CHAIRMAN CUNNINGHAM: Mr. Blackwell, I
know we spoke on the phone, it's a pleasure to
meet you in person, we certainly appreciate your
appearance today. The board had had some
questions regarding this application, I'm just
going to address one, then I'm going to ask you to
speak to the other. Primarily, this is a shared
service agreement between Pennington and Hopewell.
We had had concerns that at the time the
application had been received that Hopewell hadn't
adopted or hadn't undertook a public referendum.
We spoke on the phone the other day and you
connected us with Hopewell. And we did receive
all requisite documentation, so that stated that
one concern.

The other concern that we talked about
that I would like to go on the record with today
was the fact that the application seeks not to use
the lowest interest rate that was provided in the

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application. It's proposing to use a slightly higher interest rate from another bank, the interest rate still being very competitive at 3.47 percent. And I would just ask you to state for the record why that decision is being made by the district.

MR. BLACKWELL: Well, when the bank gave -- I think they called it a preferred rate. So we have to open up an account at that bank and actually transfer money into that account in order to get that rate and put the value into the bank account to get the rate that they offer. I just don't think that's a fair way to do it. I mean I got to give them money in order to borrow money from them, I just didn't --

CHAIRMAN CUNNINGHAM: So it's going to tie up additional capital of the district?

MR. BLACKWELL: Yes.

CHAIRMAN CUNNINGHAM: -- you have the bank accounts --

MR. BLACKWELL: They said it's standard practice, but I don't think it's the right kind of practice. I think it's better to go the other way. We've had experience with the other company that -- the other company has already loaned us
money before and we never had an issue. So we
thought for tenth of a --

CHAIRMAN CUNNINGHAM: Two tenths of a percent, it was a difference between a three and a quarter and 3.47.

MR. BLACKWELL: And we're putting that money in another account and keeping an eye on another account and just having more money all over, we decided it was best to go this way and a better deal for everybody.

CHAIRMAN CUNNINGHAM: Thank you very much. The other thing I would just point out to my colleagues on the board is that the district is using $300,000 of capital reserve funds as a down payment. Once again, they're using a recognized cooperative for the purchase, the referendum passed by a vote of 37 to 1, the referendum in Hopewell was significantly tighter, but I actually like to see that because it means the public process is working and people are showing up and voting.

So they were my observations on the application. If any of my colleagues on the board have additional questions or comments, please feel free to ask. If not, I would entertain a motion
and a second.

MR. LIGHT:  Motion.

MR. BLEE:  Second.

CHAIRMAN CUNNINGHAM:  Second from Mr. Blee. Roll call, please.

MS. McNAMARA:  Mr. Cunningham.

CHAIRMAN CUNNINGHAM:  Yes.

MS. McNAMARA:  Ms. Rodriguez.

MS. RODRIGUEZ:  Yes.

MS. McNAMARA:  Mr. Blee.

MR. BLEE:  Yes.

MS. McNAMARA:  Mr. Light.

MR. LIGHT:  Yes.

CHAIRMAN CUNNINGHAM:  Thank you very much.

MR. BLACKWELL:  Have a great day.

CHAIRMAN CUNNINGHAM:  Next matter is Lower Township Fire District Number 3. Jeff, could you kindly introduce yourself and your colleague to the reporter. And then counsel doesn't need to be sworn, but non-counsel does need to be sworn in, please.

MR. WINITSKY:  Jeffrey Winitsky from Parker McCay, bond counsel for the fire district.

MR. DOUGLAS:  Gary Douglas, Fire
Commissioner, District 3, Lower Township.

Gary Douglas, after having been duly sworn, did testify as follows:

MR. WINITSKY: Good morning. A little bit of a circuitous route to get here today. Our original application, as you know, was for the issuance of bonds in the amount of a million dollars. Subsequent to that application, we've had several discussions with your office with respect to the better way to finance this. We have subsequently determined and decided and filed with your office materials in lieu of doing bonds. We're going to do a lease for a seven year term, which is more custom for these kinds of projects.

Specifically, the project, for the board members, is the acquisition of a new piece of fire equipment, specifically a heavy duty pumper truck. The cost of the apparatus is $771,900. We're looking to do a seven year lease with the vehicle manufacturer's financing arm, which is Osh Kosh Financial, at a very competitive rate of 2.98 percent.

We had several other offers. This is
clearly the best. It's an extremely competitive rate. And we agree that this is the better way to finance at a lower rate, presumably, and a lesser amount of money, including using the fire district's capital reserves for equipment for the vehicle.

So any questions that you may have, I know we've spoken about this quite a bit, but we're happy to answer.

CHAIRMAN CUNNINGHAM: Well, first of all, I certainly appreciate cooperation of the district and your office in resolving this. I think it's a better arrangement for Lower Fire District. Jeff, maybe if you would just address what the revised issuance cost would be or professional fees, I should say, considering that you're not doing bonds? Just because the package that the board members have in front of them still show what would have been had the deal gone as initially contemplated.

MR. WINITSKY: Yeah, I mean they're not significantly lower, they are lower, obviously it's a lot simpler, more streamline, to do a lease in lieu of bonds. Obviously, our fee will be lower, the auditor fee is already lower. Pretty
much everything you see there will drop at least
10, 15 percent across the board.

CHAIRMAN CUNNINGHAM: And then the other
miscellaneous would come out?

MR. WINITSKY: Completely.

CHAIRMAN CUNNINGHAM: As we saw in the
e-mail as well?

MR. WINITSKY: That is correct.

CHAIRMAN CUNNINGHAM: Okay. So to my
colleagues on the board, you know, we worked on
this quite a bit, it's appearing different today
than originally in the package. So if there's
additional questions or comments that you would
like to discuss, certainly we would want to get
you comfortable with this application. If not,
then I would ask for a motion.

MR. BLEE: Motion.

MS. RODRIGUEZ: Second.

CHAIRMAN CUNNINGHAM: Take a roll call,
please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.
MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

MR. WINITSKY: Thank you.

MR. DOUGLAS: Thank you.

CHAIRMAN CUNNINGHAM: We'll move to Township of Plumsted.

MR. EICHENBAUM: Good morning. Howard Eichenbaum from Gluck Walrath, bond counsel to the township. Next to me is Peter Ylvisaker, executive director of the MUA, who's involved with financing.

PETER YLVISAKER, after having been duly sworn, did testify as follows:

CHAIRMAN CUNNINGHAM: Hello, Howard. So, similarly to the last applicant, we've had meetings and discussions regarding this application. Did you just want to give the board a preliminary description of what's being requested today?

MR. EICHENBAUM: I'll be happy to. Good morning. This is the first of probably several applications the board may be getting with respect
to this project. The Township of Plumsted has been planning a -- has been trying to add sewer infrastructure to the township for a number of years. They're planning, at this point, to have a redevelopment project done in areas of the township that will now enable them to add a sewer treatment plant and sewer facilities throughout various areas of the township.

The first aspect of the project is to do planning and design work in order to confirm the costs and what is needed to do this. Ultimately, it's expected that the larger project will be done through the N.J. EIT, it's probably going to be several years before we ultimately get to the EIT for true construction costs. But we're at the phase where planning and design work have to be done and the township decided rather than go out for a large ordinance for the entire project, not being totally sure what the costs are, that they would come in for a small ordinance relating primarily to planning and design, and various other legal and financial costs that will be associated with the front end of the project.

CHAIRMAN CUNNINGHAM: Thank you. And that -- because it was being done in that regard,
there had been question about whether the
propriety of just doing the soft costs was
appropriate under local bond law. Your firm
issued an opinion to the board, which we shared by
the Attorney General's office to the propriety of
that. The AG's office has reviewed that, but
rather than kind of get into that, we think that
when we looked at the application again, realizing
that the matter coming before the board is really
the waiver of the down payment, we're going to
limit our conversation and our vote to that.

So with that said, looking at that issue
in front of the board, the staff, you know, didn't
have any issues with that. We understand the
township's desire to try to go kind of
conservative with the amount of the ordinance
that's being presented as opposed to I think 18
million was the other figure, as I recall. So I
think we're in a place where the staff was
satisfied with the application in front us.

So I would ask my colleagues on the
board whether they had any additional questions
about this project, which could be fairly
transformative for Plumsted Township.

MR. LIGHT: Is this going to be a
collection system or collection and treatment?

MR. YLVISAKER: Collection and treatment.

CHAIRMAN CUNNINGHAM: Then if there's no other questions from the board, we'll entertain a motion and a second, please.

MS. RODRIGUEZ: Make a motion.

MR. LIGHT: I'll second.

CHAIRMAN CUNNINGHAM: Thank you. We'll take roll call, please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

MR. YLVISAKER: Thank you.

MR. EICHENBAUM: Thank you.

CHAIRMAN CUNNINGHAM: The next matter listed on the agenda was the Town of Kearny, they have deferred this application, so we will not be hearing it today. We will then move to the City of Camden, proposed adoption of a bond ordinance
pursuant to Qualified Bond Act and a waiver of the
down payment.

MR. CAPIZZI: Good morning, Mr. Chairman. Good morning, board members. My name is Jason Capizzi and my firm, Kraft and Capizzi, is bond counsel to the City of Camden. With me this morning is the City's director of finance, Glynn Jones, in support of their application for approval of a supplemental bond ordinance. The city has issued qualified bonds previously, and as a condition of that, is seeking your approval of this project.

CHAIRMAN CUNNINGHAM: Thank you, Jason. Before we go further, to the extent that Glynn's going to offer testimony, I want to get him sworn in.

GLYNN JONES, after having been duly sworn, did testify as follows:

CHAIRMAN CUNNINGHAM: Please continue.

MR. CAPIZZI: Forgive me. As I was saying, this bond ordinance supplements a project previously approved by the board and for demolition project. And we're ready for any
questions you may have.

CHAIRMAN CUNNINGHAM: Well, I think what I would ask and maybe, Glynn, if you would be in a position to do this, can you just remind the board of what the demolition program is, what it's seeking to do and maybe give an updated status from the last time you were here?

MR. JONES: Yes, sir. 2014, the City got approval from the board for an $8 million bond ordinance to demolish 500 properties in the City of Camden. Since that point, we've gone out to bid several times. The first time we went out to bid, we came in at $1.2 million under the $8 million request. For some reason, that contractor pulled out.

We went out to bid a second time. And that 500 properties was broken out into five contractors, say, a hundred properties each. We went out to bid a second time and one of those five contracts was awarded and that contractor pulled out. When we originally requested the $8 million, the average cost of demo in the city was about 15,000. For some reason now the market is changing, now it's coming in at 20,000 plus. So we are requesting additional funds so we can
complete the project. We've since gone out a
third time. When one of the contracts was
awarded, it came in at 22,000 per structure. So
this is to help supplement the other four
contracts that went out to bid last Friday.

CHAIRMAN CUNNINGHAM: Thank you. And
just at a very, very high level, this is scattered
site demolition that's being done as part of the
administration's initiative to redevelop areas of
the city?

MR. JONES: It's to redevelop Camden to
improve public safety. A lot of these structures
are used for illegal activities, we're just trying
to get them pulled down.

CHAIRMAN CUNNINGHAM: Thank you. I just
would like to note for my colleagues on the board
that the City of Camden, being under the MIRA act,
and being a transitional aid town, our fiscal
monitor that's assigned to the City of Camden,
Rick Ricardella, had reviewed this application.
And in the package of materials that was left for
you today, we have his review and recommendation
as well.

So are there any questions from the
board on this particular application? Okay.
So, Glynn, I mean I'm supportive of the application. I know that this is one of the big priorities of the mayor and the administration to try to reduce some of the scattered site blight that I'm well aware of, having toured the city with the mayor, which hopefully will improve public safety and as you said increase the redevelopment aspects.

So I will actually make a motion to adopt this application. And I would ask for a second.

MR. BLEE: Second.

CHAIRMAN CUNNINGHAM: Mr. Blee, thank you. And take roll call, please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Thank you very much.

MR. JONES: Thank you.
MR. CAPIZZI: Thank you.

CHAIRMAN CUNNINGHAM: Next matter before the board is Borough of Penns Grove.

MR. WINITSKY: Jeffrey Winitsky.

CHAIRMAN CUNNINGHAM: Good morning, again, Jeff. Do you want to introduce your colleagues and those that are not counsel be sworn in.

MR. WINITSKY: Jeff Winitsky, Parker McCay, bond counsel to the borough. To my right is Steve Labb, CFO of the borough. To his right, Mike Welding, the Borough auditor.

S T E P H E N L A B B , after having been duly sworn, did testify as follows:

M I C H A E L W E L D I N G , after having been duly sworn, did testify as follows:

MR. LABB: Good morning.

CHAIRMAN CUNNINGHAM: Take the lead, Jeff?

MR. WINITSKY: Yes. We're here today seeking approval for the final adoption of a refunding bond ordinance in the amount of...
$535,000. The refunding bond ordinance is being adopted to refund and finance the cost of a temporary emergency appropriation that the borough -- that had been to be made very quickly at the end of last month, beginning of this month in connection with the borough's redevelopment agency HUD loan. The borough serves as guarantor of that loan. They were unaware that the borough was -- excuse me, that the redevelopment agency was unable to make the final payment of that HUD loan. So the borough stepped in, a temporary emergency appropriation obviously, at half a million dollars, that's quite a bit of money to do any one single fiscal year. They're looking to finance it by operation of a refunding notes over a period of ten years, if deemed proper by the local finance board.

So we're here to answer any questions you may have.

CHAIRMAN CUNNINGHAM: Well, I think the board would like to hear a little bit, maybe Mr. Labb can speak to it, how was it that the borough didn't know that the redevelopment agency was not in a position to pay this?

MR. LABB: The agency currently is
pretty much defunct. The governing body is looking forward to dissolving the agency and taking over all the functions. But working with bond counsel, given the pertinent information to start that proceeding, I'm sure we have to go through the local finance board again.

Basically, it's my responsibility as CFO, so I take the onus of this.

CHAIRMAN CUNNINGHAM: And, again, I appreciate that, Mr. Labb, I really do. And I guess the issue is that when things like that happen, it's a chain events and there was -- because it went into technically default, the EDA wound up having to make a payment. And now they have to get that money back from HUD. So it's just a series of issues that arise when these types of things happen. Again, I'm not laying the blame at your feet. I understand that's the redevelopment agency, its members and commissioners, and potentially professionals, as well.

So now, we're at the position where the Borough of Penns Grove had to make a significant payment in a very short amount of time, had to undertake the notes to do that. And you're in
front of the board and I know my colleagues on the board have the application in front of them. But we have a couple options in front of us, which is if we were to approve the deferral of this debt, you know, anywhere from 3 years to 10 years, the impact to the average assessed home varies anywhere from $114 to $37. Typically, this board tries to keep the amount somewhere in the $50 range, which would put us at seven years. If that was to happen, the impact of the average assessed home is $51 which is typically where we like to be.

The only thing that I would say is that the borough was recently apprised of the amount of transitional aid that it will be receiving and that amount of transitional aid is resulting in an increase of $102 to the average assessed home owner. So because of that, I'm a little bit leery, given some of the conditions of some of the properties and how people are on relatively tight margins and tight incomes. I don't want to pile on the taxpayer too much.

So while my initial recommendation would have been to go seven years at $51, I think I am inclined, somewhat reluctantly, to go 10 years at
$37 because when that's added to the $100 increase
that's being felt as a result of the adopted
budget, given the amount of transitional aid
that's been provided to the borough, I think
that's where we have to land.

But I continue to caution the borough
and advise the borough that the division, through
our transitional oversight monitors, have a lot of
expectations for matters we talked about,
consolidation of dispatch service, continued
redevelopment of certain parcels that, Mr. Labb, I
know that I spoke to the mayor about, if not
directly with you. But we have a lot of work to
do in the Borough of Penns Grove to reduce the
amount of transitional aid being sought to restore
structural budgetary solvency to the borough.

So my recommendation to my colleagues on
the board is that we approve the application in
front of us today, with the understanding that the
repayment schedule would be 10 years. Are there
any other questions or comments from the board in
light -- in terms of what happened or where we're
going from here, anything to that effect?

MR. LIGHT: I was originally going to
try to go for five years, but you made a very
compelling argument.

MS. RODRIGUEZ: Me, too.

CHAIRMAN CUNNINGHAM: Sometimes I wonder if it's against my better judgment, but I'll leave my recommendation.

MR. WINITSKY: We do appreciate it.

Thank you.

CHAIRMAN CUNNINGHAM: So with that said, I would ask for a motion.

MS. RODRIGUEZ: Make a motion.

MR. BLEE: Second.

CHAIRMAN CUNNINGHAM: Ms. Rodriguez.

Second by Mr. Blee. We'll take roll call, please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Okay.

MR. WINITSKY: Thank you very much.

MR. LABB: Thank you.

CHAIRMAN CUNNINGHAM: Next matter before

STATE SHORTHAND REPORTING SERVICE, INC.
the board is the Cumberland County Improvement
Authority. Tired of sitting in that seat, Jeff?

Again, Jeff, would you kindly introduce
yourself for the reporter and those that are not
counsel need to be sworn in.

MR. VELAZQUEZ: Gerard Velazquez,
Cumberland County Improvement Authority.

SPEAKER: Anthony Inverso, Phoenix
Advisors.

MR. WINITSKY: Jeff Winitsky.

GERARD VELAZQUEZ, after having been
duly sworn, did testify as follows:

ANTHONY INVERSO, after having been
duly sworn, did testify as follows:

CHAIRMAN CUNNINGHAM: Thank you for the
appearance today. You're seeking positive
findings for proposed project financing of $2.5
million and it's to be used for the lease revenue
bonds associated with an arts and innovation
center project. So I would ask for you to
introduce that concept to the board, please?
MR. WINITSKY: Sure. As you had stated, we're here seeking approval for $2.5 million for lease revenue bonds, those proceeds together with a contribution from the county by issuance of their own county college bonds a few weeks ago, and a contribution from the Millville Urban Redevelopment Corp will be used to construct a two story, approximately 20,000 square foot facility to serve as the Cumberland County College's arts and business innovation campus in the City of Millville.

As the director had mentioned, it would be a lease financing, the facility will be constructed and owned by the improvement authority and leased back to the county college. Lease payments will be used to amortize the debt over a period of 25 years. At the conclusion of the lease, the facility goes back to the county college, free and clear. This is a collaborative effort of various county agencies, including the county itself. The county college is very excited at its completion. So if you have any questions, please feel free to ask.

CHAIRMAN CUNNINGHAM: Any members of the board have questions about what the actual project
is? What the art innovation center project is or

can we move to some other just --

    MR. LIGHT: This is a completely new
area, they don't have any of this type of program
in any other building at this time or is it an
expansion of the building?

    MR. VELAZQUEZ: They have arts programs
located on campus. And they have a small clay
college that's located in Millville currently.

But it's too small, so we're going to a take all
the arts classes in the entire college and move
them to the downtown, Millville is an arts
district. So they want to enhance the arts
district by placing the arts programs and have
some business programs to enhance that curriculum.

    MS. RODRIGUEZ: I think I find it
interesting, you know, I mean that the improvement
authority is going to be basically the owner,
right, the landlord of the property for 25 years?
And I guess my question, because I don't know, is
this something new for the improvement authority
or is this common practice?

    MR. WINITSKY: This is pretty common
practice. What we do is a triple net lease, we're
the technical owner, it is leased to the college,
they operate, maintain, and the like. We're just
title owner for purposes of finances.

MS. RODRIGUEZ: Makes sense.

CHAIRMAN CUNNINGHAM: So to Idida's
point, the college would rent from the improvement
authority for a period of 30 years and the bonds
would be a period of 25 to 30 years. Jeff, as you
already said, the triple net lease and a dollar
buy out at the end of the lease?

MR. WINITSKY: That's correct.

CHAIRMAN CUNNINGHAM: What I wanted to
talk about was the fees a little bit. I just
wanted to note for the record, and correct me if
I'm wrong, that the Camden -- the Cumberland
County Improvement Authority is not charging a
flat fee in this particular arrangement? I don't
see it listed on the proposed costs of issuance
presented to the board; is that accurate?

MR. INVERSO: Right, that's correct.

It's not in the cost issuance list because it's
something that's going to be paid over time.

CHAIRMAN CUNNINGHAM: Through the rent?

MR. INVERSO: Exactly, exactly. It's
going to -- as opposed to having up front and
being financed as part of the bond issue, it's
going to be paid back over time.

CHAIRMAN CUNNINGHAM: And the other thing, I know we did a call to discuss this project, but for benefit of the other board members, I'll make a statement, and please correct me if I'm wrong, that the real properties being purchased from the Millville redevelopment entity or its an urban renewal entity?

MR. WINITSKY: That's correct.

CHAIRMAN CUNNINGHAM: And the purchase price was ascertained using the assessed value of the property, which I believe was $600,000?

MR. INVERSO: Correct.

MR. WINITSKY: That's true.

MR. VELAZQUEZ: The actual sales price is much less than 600,000, yes.

CHAIRMAN CUNNINGHAM: The actual value or the actual --

MR. VELAZQUEZ: What we're paying for it.

CHAIRMAN CUNNINGHAM: Okay. I didn't realize that.

MR. WINITSKY: It was assessed higher than what we're actually paying.

CHAIRMAN CUNNINGHAM: Thank you for that
clarification.

MR. WINITSKY: If that was not understood previously, we apologize.

CHAIRMAN CUNNINGHAM: No problems. So the total cost of the project exceeds $6 million, this application is for 2.5, the application talks about the neighborhood revitalization tax credit, the county contribution, what else do we have, the authority. So it's a, you know, relatively significant capital stack, of which $2.5 million is being sought from this board for financing.

MR. INVERSO: That's correct.

CHAIRMAN CUNNINGHAM: Okay. Any other members have questions or comments they would like to make about the application? Hearing none, I would ask for a motion and a second.

MR. BLEE: Motion.

MS. RODRIGUEZ: Second.

CHAIRMAN CUNNINGHAM: Mr. Blee, second Ms. Rodriguez. Roll call, please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.
MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Okay.

MR. WINITSKY: Thank you.

MR. INVERSO: Thank you.

MR. VELAZQUEZ: Thank you.

CHAIRMAN CUNNINGHAM: Middlesex County Improvement Authority? Good morning. Would you please introduce yourself and those that aren't counsel be sworn.

MR. PANNELLA: Tony Pannella, Wilentz, Goldman, and Spitzer.

CHAIRMAN CUNNINGHAM: Gerry is already sworn, so we don't have to swear him in. Mr. Pannella is counsel, so no issues there. Thanks for your appearance today. Would you kindly introduce this application to the board?

MR. PANNELLA: Hi, Tony Pannella, Wilentz, Goldman, Spitzer, bond counsel to the Middlesex County Improvement Authority. This application relates to the authority's 2015 capital equipment and improvements financing. This years program entails -- includes five towns and the county itself, not exceeding the amount of
$9 million. There's a mixture of five and ten year loan items in the application and several five year passenger and police vehicle items in the program, which is customarily -- this program has been done for the last 21 years, eight years under the new program where we've separated it so that the vehicles, passenger and police, are in a lease program and all the capital equipment and improvement items are in a separate loan program. But we meld them for financing purposes, even though the documentation is separate. And we're happy to answer any questions.

MR. VELAZQUEZ: I want to correct one statement, they're not to exceed the amount of 9,500,000.

CHAIRMAN CUNNINGHAM: Secured by guarantee of the County of Middlesex?

MR. PANNELLA: Yes, secured by guarantee of the county government.

CHAIRMAN CUNNINGHAM: Again, as Mr. Pannella said, the program has been in existence for quite some time, seems to be working well for the participants in Middlesex County. So I don't really have many questions, but I would ask if any members of the board do? If there's none, before
we take a vote, the only thing I would say -- and
I've said this is from the dais before, but we're
probably going to be launching within the next two
to three weeks a questionnaire for improvement
authorities on the fee structures. So your client
will be getting a spread sheet from us asking them
to fill it in. I've said before, the purpose of
that is to try to identify outliers on the high
side, so we can identify why they're charging more
than some of the other improvements authorities.

But all in all, this project has been
successful and working well for its participants,
so I don't have any issues with it. And I don't
believe I heard any of my colleagues do. So with
that said, I would seek a motion and a second on
this proposed project financing.

MR. BLEE: Motion.
MS. RODRIGUEZ: Second.

CHAIRMAN CUNNINGHAM: Mr. Blee. Second,
Ms. Rodriguez.

MR. LIGHT: Before we vote, I have a
question. Five years, one of these things is
listed as a shredder, it's not a lot of money, but
it's a five year loan or are these all of these
items all within the criteria that's necessary for
funding them on every --

Mr. PANNELLA: Yes. We have a process we go through with every borough where we vet out every item, assign useful life to it, determine whether it's financeable under the local bond law or whether it should financed separately as a lease item.

Mr. LIGHT: Okay. I'm sorry.

Chairman CUNNINGHAM: No, I appreciate the question. Thank you very much.

Mr. PANNELLA: That's why you'll notice so many of the loan items in this program are assigned five year useful lives because they're short. They're permitted to be bond financed under local bond law, but have a short useful life.

Chairman CUNNINGHAM: So we have a motion and a second, we'll then take a roll call.

Ms. McNAMARA: Mr. Cunningham.

Chairman CUNNINGHAM: Yes.

Ms. McNAMARA: Ms. Rodriguez.

Ms. RODRIGUEZ: Yes.

Ms. McNAMARA: Mr. Blee.

Mr. BLEE: Yes.

Ms. McNAMARA: Mr. Light.
MR. LIGHT: Yes.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

MR. VELAZQUEZ: Thank you.

MR. PANNELLA: Thank you.

CHAIRMAN CUNNINGHAM: Thank you very much. Next matter before the board is Monmouth County Improvement Authority, the 2015 pool capital equipment lease program.

MR. DRAIKIWICZ: Good morning, John Draikiwicz, Gibbons.


DOUG BACHER, after having been duly sworn, did testify as follows:

CHAIRMAN CUNNINGHAM: Good morning, Mr. Draikiwicz, Mr. Bacher. Either one of you want to
introduce the program or reintroduce the program
to the board? It was by far the thickest
application we had in the package. My reading
power for the weekend, so thank you for that.

MR. BACHER: No problem.

MR. DRAIKIWICZ: Thank you. The
Monmouth County Improvement Authority proposes to
issue its bonds in an amount not to exceed $30
million to be sold to the public, the proceeds of
which would be used to acquire, not to exceed $30
million of its local unit bonds. The proceeds of
which would be used to finance various items of
capital equipment for 13 municipalities and 5
school boards in the county. Each piece of
equipment will be amortized over its useful life,
but not to exceed 10 years.

MR. BACHER: School is five.

MR. DRAIKIWICZ: And the school is not
to exceed five years. So the Monmouth County
Improvement Authority local unit bonds will be six
years by lease agreements between the authority
and each municipality and school board. In
addition, the authority's local unit bonds will be
secured -- certain of them will be secured by
guarantees from the various municipalities. And
there will also be a county guarantee on each local unit bond by the County of Monmouth. We would respectfully request the positive findings in connection to project financing, as well as the municipal and county guarantees. Any questions, we'll be happy to answer them at this time.

CHAIRMAN CUNNINGHAM: Not the first time you've done this?

MR. BACHER: Since '91.

MR. DRAIKIWICZ: Every other year.

CHAIRMAN CUNNINGHAM: So similar to the application before us, this is a program that's been long standing that the Monmouth County Improvement Authority does and the participant towns seem to benefit very greatly from. So I don't really have any issues. My only statement would be similar to what I said in the prior application, that in very short order we're going to be sending out the fee questionnaire. So I just again want to remind our improvement authority applicants that that will be coming out.

Any other questions from the board on this application?

MR. LIGHT: If you don't mind, the
Township of Howell has 7,900,000 is that one project or is that a conglomerate of a number of things? Are they doing a major structure for that?

MR. DRAIKIWICZ: It's multiple.

MR. BACHER: It's multiple, a list for each of them was submitted with the application.

MR. DRAIKIWICZ: Under tab C.

MR. LIGHT: So it's a lot of much smaller items that total 7,900,000?

MR. BACHER: It's all limited to equipment, there's no project, per se, just equipment.

MR. LIGHT: No roofs?

MR. BACHER: No roofs or windows.

MR. LIGHT: Automatic coffee makers?

MR. DRAIKIWICZ: Right.

CHAIRMAN CUNNINGHAM: Any other questions?

MR. BLEE: Motion to approve.

CHAIRMAN CUNNINGHAM: Motion from Mr. Blee, I'll take a second.

MR. LIGHT: I'll second.

CHAIRMAN CUNNINGHAM: Mr. Light. Roll call, please.
MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

MR. BACHER: Thank you.

MR. DRAIKIWICZ: Much appreciated.

CHAIRMAN CUNNINGHAM: Next matter before the board today is Jersey City Redevelopment Agency, a motion for positive findings on a project financing permit to issue sell bonds by redevelopment entity and approving issuance of nonrecourse RAB bonds.

Would you please make sure your colleagues are introduced to the reporter. And those that aren't counsel be sworn in.

MS. ROO: Patricia Roo with Baumann and Miranda, counsel to the developer.

MR. GERDMAN: Jonathan Gerdman with Forest City, I represent the developer.

MR. ELLINGTON: Duke Ellington for the redevelopment agency.
MR. CANTALUPO:  John Cantalupo, bond attorney for the City of Jersey City.

CHAIRMAN CUNNINGHAM:  Thank you. So those that aren't counsel, please be sworn in.

JONATHAN GERD MAN, after having been duly sworn, did testify as follows:

DUKE ELILINGTON, after having been duly sworn, did testify as follows:

MR. CANTALUPO:  Okay. Want me to go.

CHAIRMAN CUNNINGHAM:  Yes, please.

MR. CANTALUPO:  We're here before you today for approval of $20 million in redevelopment area bonds, that would be undertaken in connection with a Forest City Residential Group development in Jersey City. They're two projects, mixed use projects, with affordable housing projects in each of them. Roughly, ones a 35 story mixed use development, the other one is a 36 story. They have 421 residential units in one of them, with 85 being affordable. 432 residential units in the other with 87 affordable housing units.

The project's being undertaken in the

STATE SHORTHAND REPORTING SERVICE, INC.
Harsimus Cove Station Redevelopment area in the city. It complies with a number of the state's objectives in terms of being in a transit hub, having an affordable housing component, and has receive an ERG award of $40 million from the State of New Jersey. I can turn it over to one of -- our finance person for the redeveloper to talk about the stack of the financing exactly the different aspects of private capital that are going into the project to construct it.

CHAIRMAN CUNNINGHAM: I think it would be helpful.

MR. GERDMAN: Sure. So I'll speak specifically to the first phase, which we're looking to break ground on in September, although of course we're here before you for approval for bonding for both phases. There's $128 million first loan from Insurance Life Company. We're seeking a commitment for a second eb5, the international foreign investor program for a second loan. Then our development team will make a significant equity contribution of about 25 percent of the total development costs. We're looking for this RAB to fill that remaining gap, which will fund primarily the infrastructure work.
that we're doing in the streets and underground utility work and infrastructure work around the site and to contribute to the construction of the affordable housing.

MR. CANTALUPO: Additionally, the bonds are going to be sold on a taxable basis because the developer felt given the difference between the tax exempt rates and the taxable rates that the compliance issues in dealing with the tax exempt rates, it was far easier for them to go taxable route.

The ordinances for the PILOT and the RAB were introduced by the city council and passed on introduction. And they're being considered next Wednesday evening. There was also a caucus meeting last night to further discuss the ordinances. And it looks like it will go forward on Wednesday evening.

CHAIRMAN CUNNINGHAM: Thank you. Before we dive a little deeper on some of the aspects of the application, I want to see if any board members have any additional questions, perhaps for the redeveloper in terms of what the project is or are you comfortable with that component?

MR. LIGHT: If I understand correctly,
one -- the redevelopment of an existing building
and the second phase is the building of a new
building in an area that's either open or will be
clear; is that correct?

MR. GERDMAN: They're both new
construction buildings of similar size and
composition.

MR. LIGHT: What's on the land now
though?

MR. ELLINGTON: Let me. So this area of
the Harsimus Cove has kind of had literally
temporary buildings on it, I would say, for the
past 35 years when --

MS. RODRIGUEZ: Where exactly is this in
Jersey City?

MR. ELLINGTON: So it's down on the
waterfront, literally right behind the Kosciusko
light rail station. Presently there is a BJ's, a
Shop Rite, a Pep Boys and a Bed Bath and Beyond
right next to the Newport Mall. This is an open
area parking lot. This parking lot was never
meant to be there for 35 years. But, as way leads
to way, so the idea -- so the original zoning and
the original redevelopment plan eventually wanted
these uses on this property. So we've kind of
been waiting for these 35 years to make this happen.

The other thing that's important about this project, quite simply is that we haven't had affordable housing built in downtown Jersey City since the LeFraks did it back in the early 80's. So that's so important to this area to have that diverse socioeconomic community in that area, and that's why --

CHAIRMAN CUNNINGHAM: But that's a component of the project, it's not the entire --

MR. ELLINGTON: It's a component of the project, yes. And it's so important to this project. And that's why it's important to actually have this done.

MS. RODRIGUEZ: I agree with you because everything we read about redevelopment in Jersey City, there is a cry from the community at large to provide housing, affordable housing, and be inclusive.

MR. CANTALUPO: More particularly this is affordable housing that's on the waterfront area.

MS. RODRIGUEZ: My point exactly.

MR. ELLINGTON: Which is really a nice
mix for the community. So it's been a big focal point of the city and the JCRA to get this done.

CHAIRMAN CUNNINGHAM: So the financial agreements will require that the redeveloper pay an annual service charge. And the annual service charge will be based, which is the city's portion, the county's portion and then the pledge amount to repay the bonds, correct?

MR. CANTALUPO: That's correct.

CHAIRMAN CUNNINGHAM: Okay. And I know the numbers were included in the application, kind of, as I said when you were walking up, and you said it's taxable, but just to reiterate this is nonrecoursable --

MR. CANTALUPO: That's correct.

CHAIRMAN CUNNINGHAM: -- debt amortized over 23 years after a two year construction period level debt service?

MR. CANTALUPO: That's correct.

CHAIRMAN CUNNINGHAM: Okay. And I should mention to my colleagues on the board that Forest Hill, along with council, came in to discuss this with division staff. So we knew to expect this. And we had representatives from our staff review the application along the way, so we
were prepared to analyze it and present it in
front of board. Staff is recommending that this
application be approved for the reason that it
will allow development of a vacant and
unproductive site into productive use that will
create jobs. Again, as I've already said, no
recourse to the city. And I also wanted to just
make sure it was noted on the record that because
it's a RAB financing, both the economic
development authority and the office of planning
advocacy, which is in the secretary of state's
office are required to weigh in. Both of them
submitted reports with positive findings to the
division. So we have all of that on the file and
we have their approvals noted. Any other
questions before we take a vote?

MS. RODRIGUEZ: Make a motion.

CHAIRMAN CUNNINGHAM: Motion from Ms.
Rodriguez, thank you.

MR. BLEE: Second.

CHAIRMAN CUNNINGHAM: Second, Mr. Blee.

Pat, would you please take roll call.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.
MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Thank you so much, we wish you luck with this project.

MR. GERDMAN: Thank you.

MR. CANTALUPO: Thank you.

CHAIRMAN CUNNINGHAM: Next matter in front of the board is the dissolution of the Seaside Heights Redevelopment Agency. Welcome back, Mr. Vaz.

MR. OLIWA: Robert Oliwa, auditor for the borough of Seaside Heights.

CHAIRMAN CUNNINGHAM: Chris, would you introduce yourself to the reporter, please.


ROBERT OLIWA, after having been duly sworn, did testify as follows:

CHRISTOPHER VAZ, after having been duly sworn, did testify as follows:
CHAIRMAN CUNNINGHAM: I'll leave to one of you if you like to introduce the application to the board?

MR. OLIWA: Yes, thank you. The purpose of the application is the dissolution of an inactive redevelopment agency. Since inception, the redevelopment agency in the Borough of Seaside Heights has not been active in any redevelopment activities. The borough basically has supported the agency with miscellaneous bills through its annual budget. Currently, as the application states, there's no outstanding bills of the redevelopment agency. And the agency is currently inactive. The effect on the borough's budget will be nil, essentially. So there wouldn't be an effect on any tax rates, municipal budgets, or service fees.

CHAIRMAN CUNNINGHAM: When was the redevelopment agency formed, do you recall?

MR. OLIWA: 2000, that was the initial ordinance to -- for inception.

CHAIRMAN CUNNINGHAM: Okay. And had it done everything during its tenure or kind of set up and never --
MR. OLIWA: From my understanding and inquiry of borough officials, Chris, you might want to elaborate on that, it's essentially been inactive.

CHAIRMAN CUNNINGHAM: Okay. So we know that under the 48:5(a)20 act, provision has been made for creditors by telling the board that there are no creditors in this instance. The only fees for dissolution would be the borough attorney and the auditor, which are not to exceed $3,000. So this seems to be a rather cut and dry matter before the board. So unless any board members have any questions or concerns, we'll seek a motion and a second.

MR. BLEE: Motion to approve.

MR. LIGHT: Second.

CHAIRMAN CUNNINGHAM: Mr. Light, you seconded?

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Roll call, please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.
CHAIRMAN CUNNINGHAM: Thank you.

MR. VAZ: Thank you.

CHAIRMAN CUNNINGHAM: Most of the time, we're forcing people to dissolve. So this is a matter of first impression for me, someone came in of their own volition.

Okay. We have a matter in front of the board, which is a petition for rule making. And that was submitted by Mr. Cancro, who is the business administrator in Springfield Township. He's requesting that the division undertake a change to its rules under 5:30-17 that would address the proposed electronic disbursement controls for payment purposes. And, for the board members, included in your package was a report outlining -- it included the letter from Mr. Cancro and a public notice that this notice for rule making was received.

The recommendation before you at this time is to refer this to division staff and we would have Jason Martucci, who's our very able administrative practice officer who handles all
the legislative and regulatory matters for the board, we would ask him to look into this and to move the rules forward as appropriate. So I think the only thing we're seeking from the board today is a vote that would refer this to staff. Pat, do I have that correct?

MS. McNAMARA: Yes.

CHAIRMAN CUNNINGHAM: Okay.

MR. BLEE: Motion.

CHAIRMAN CUNNINGHAM: Motion, Mr. Blee.

MS. RODRIGUEZ: Second.


MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Might have been the easiest one, even easier than the last one.

The next matter is the adoption of Salem City Municipal Port Authority's budget. Good morning.
MR. WELDING: Good morning.

MR. CALTABIANO: Good morning. Fred Caltabiano with Bowman and Company, LLP, representing the Salem City Municipal Port Authority. We're here to get approval of their proposed 15-16 budget. It's a $58,000 budget loan, lone source of revenue is from the South Jersey Port Corporation.

CHAIRMAN CUNNINGHAM: We just need to swear them in.

MICHAEL WELDING, after having been duly sworn, did testify as follows:

FRED CALTABIANO, after having been duly sworn, did testify as follows:

CHAIRMAN CUNNINGHAM: So, gentlemen, this is one of those matters where going forward, the director -- maybe you weren't here when I started the meeting, but I said the DLGS bill has been signed. As a result port authority budgets will be approved at the director level and won't require board action. But we wanted to keep -- because the agenda had been set, we wanted to keep
for maybe an abundance of caution, this matter on
the agenda.

So I know that you have submitted the
annual budget, I know Melissa Ford from our
financial team has taken a look at it. Is there
anything that you wanted to address that is in the
audit?

MR. CALTABIANO: Just like I said, it's
a $58,000 operating budget and it's funded solely
from the South Jersey Port Corporation. They have
one employee who oversees the three or four
vendors that still use the Port of Salem.

CHAIRMAN CUNNINGHAM: Okay. I really
don't have anything to add or question on this.
So I think continuing with our streak of quick
reviews and approvals.

MR. BLEE: Motion to approve.

CHAIRMAN CUNNINGHAM: We'll take Mr.
Blee's motion. Take a second, please?

MR. LIGHT: I'll second.

CHAIRMAN CUNNINGHAM: Mr. Light. We'll
take roll call.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.
MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.

CHAIRMAN CUNNINGHAM: Gentlemen, thank you.

MR. CALTABIANO: Thank you.

MR. WELDING: Thank you.

CHAIRMAN CUNNINGHAM: Last two matters in front of the board both originate out of the Township of Weehawken. So I would ask you to please come up, identify yourself to the court reporter, and then we'll have those who are not counsel be sworn in.

MS. TOSCANO: Lisa Toscano, chief financial officer.

MR. CAPIZZI: Jason Capizzi.

MR. MORRIS: Brian Morris.


LISA TOSCANO, after having been duly sworn, did testify as follows:

STATE SHORTHAND REPORTING SERVICE, INC.
RICHARD BARS A, after having been duly sworn, did testify as follows:

BRIAN MORRIS, after having been duly sworn, did testify as follows:

MR. CAPIZZI: Hello again, Jason Capizzi of Kraft and Capizzi, we are bond counsel to the Township of Weehawken. With us here today is the finance director, Rich Barsa; municipal advisor, Brian Morris; and CFO, Lisa Toscano.

The first application which we are asking for your approval of is a maturity schedule relating to the issuance of -- proposed issuance of qualified bonds. Should at the time of sale, the municipal advisor deem that that is the preferred way to go, rather than issuing bonds without the qualified bond act.

CHAIRMAN CUNNINGHAM: As I understand, despite recent challenges in the municipal marketplace, Weehawken's bond rating has generally been left stable?

MS. TOSCANO: Yes, that's correct.

MR. MORRIS: Yes.

CHAIRMAN CUNNINGHAM: Do you know the
MR. MORRIS: It's a BAA-3, it was just affirmed in May 2015.

CHAIRMAN CUNNINGHAM: And this would permanently finance short-term notes that are currently outstanding, correct?

MR. MORRIS: Yes.

MS. TOSCANO: Yes.

MR. CAPIZZI: Correct.

CHAIRMAN CUNNINGHAM: So just talking about what the notes had done, the ordinance had originally funded the purchase of the Woodrow Wilson school?

MR. BARSA: Yes.

CHAIRMAN CUNNINGHAM: And they also renovated some water assets, if I'm correct, and there were some other various capital improvements?

MS. TOSCANO: Yes.

MR. BARSA: That's correct.

CHAIRMAN CUNNINGHAM: Any of the board members have any questions about this component of application?

MS. RODRIGUEZ: Just want to advise that I think the mayor should show up -- he's sending
these folks.

MR. BARSA: Actually the mayor sends his apologies.

MS. TOSCANO: He's with the congressman.

MR. BARSA: He sent his apologies.

MR. BLEE: If the mayor showed up, I would have voted no.

(Whereupon there was laughter.)

CHAIRMAN CUNNINGHAM: Staff have reviewed this application, prepared a report for us, and I really didn't have any questions about this particular issue. So I'd like to move onto the next matter. So if we could have a motion and a second on this particular --

MR. BLEE: Motion.

MS. RODRIGUEZ: Second.

CHAIRMAN CUNNINGHAM: Roll call, please.

MS. McNAMARA: Mr. Cunningham.

CHAIRMAN CUNNINGHAM: Yes.

MS. McNAMARA: Ms. Rodriguez.

MS. RODRIGUEZ: Yes.

MS. McNAMARA: Mr. Blee.

MR. BLEE: Yes.

MS. McNAMARA: Mr. Light.

MR. LIGHT: Yes.
CHAIRMAN CUNNINGHAM: Okay. So that leaves us with the second matter in front of us, which is motion to approve refunding bond ordinance to permanent the issuance of tax appeal refunding notes. Jason, if either you or any of your colleagues, if you would just explain the application for the board?

MR. CAPIZZI: It's to refund amounts owing to others resulting from tax appeal judgments. The township is requesting a nine year maturity schedule to repay these notes, which makes the impact around $83 per taxpayer.

CHAIRMAN CUNNINGHAM: So you have 146 total settlements being covered by this application? 51 stipps have been received and additional 95 were expected by this time, mid August, correct?

MR. CAPIZZI: Yes. So we've provided the board with all judgments except for two. We have two stipulations relating to the other two properties. But at this time you have judgments for everything else.

CHAIRMAN CUNNINGHAM: I think the issue we have in front of us though is that the tax appeals really haven't been adjudicated -- a large
portion of them -- and because of that it's
difficult for the board to --

MR. CAPIZZI: Excuse me, Chairman, if I may? At the time we submitted a majority of them, we did not have the judgments. Since then, earlier this week, we received the judgments from the tax court. I believe they're all dated last Friday.

CHAIRMAN CUNNINGHAM: The numbers are consistent with what was provided in the application?

MR. CAPIZZI: Yes. So what you have as of today are judgments for every single property referenced on the sheet on the tax collector certificate except for the remaining two, for which you have executed stipulations.

CHAIRMAN CUNNINGHAM: Okay. I just want to note for the record that you know Weehawken hasn't done a reval since '93. I think that's concerning to the board.

MS. TOSCANO: Actually if I may? We introduced last night at a council meeting an ordinance for special emergency for a tax map. We're also making application to the local finance board for next month's meeting. It's going to start the process of the revaluation.
MR. BARSA: Of a reval.

CHAIRMAN CUNNINGHAM: I'm happy to hear that and I thank you for that. As we stated with an earlier applicant, when we try to identify the right time frame to allow the repayment on these, we try to get to a $50 number. Here the applicant is actually -- the number nine years would be actually 83 million. So I don't see a reason --

MR. BARSA: $83.

CHAIRMAN CUNNINGHAM: I'm sorry. Thankfully I don't live in Weehawken if that tax bill went out. Just to reiterate, the application is for a period of nine years at $83.04 for the average assessed home. So, again, when we try normally to get people to work, it's at least 50, you're ahead of that, so I don't think that -- at least speaking for myself -- I don't have an issue with the nine year payment on that.

So I think that the two big issues that I had have been addressed. Number one, the reval since '93 and number two, the fact that the settlements hadn't been fully adjudicated. Both of those appear to have been resolved. So I have no additional questions or comments. I would just ask any of my colleagues on the board whether they
have anything that they would like to ask?

Otherwise we shall vote on the matter.

MR. LIGHT:  I'll make a motion that we approve.

CHAIRMAN CUNNINGHAM:  Motion, Mr. Light.

MS. RODRIGUEZ:  Second.


MS. McNAMARA:  Mr. Cunningham.

CHAIRMAN CUNNINGHAM:  Yes.

MS. McNAMARA:  Ms. Rodriguez.

MS. RODRIGUEZ:  Yes.

MS. McNAMARA:  Mr. Blee.

MR. BLEE:  Yes.

MS. McNAMARA:  Mr. Light.

MR. LIGHT:  Yes.

CHAIRMAN CUNNINGHAM:  Thank you very much.

MR. MORRIS:  Thank you.

MR. CAPIZZI:  Thank you.

CHAIRMAN CUNNINGHAM:  Which leaves only one matter before the board, which is a motion to adjourn and I'll happily make that motion.

MS. RODRIGUEZ:  Second.

CHAIRMAN CUNNINGHAM:  All in favor.

(Whereupon the matter was concluded.)
CERTIFICATE

I HEREBY CERTIFY that the foregoing is a true and accurate transcript of the testimony and proceedings as taken stenographically by me at the time, place, and on the date hereinbefore set forth.

C:\TINYTRAN\Susan Bischoff.bmp

SUSAN BISCHOFF, CCR, RPR
LICENSE NO. 30XI00233700

DATED: August 28, 2015

STATE SHORTHAND REPORTING SERVICE, INC.