NEW JERSEY URBAN ENTERPRISE ZONE AUTHORITY MEETING

WEDNESDAY, APRIL 9, 2008

MARY ROEBLING BUILDING

SECOND FLOOR CONFERENCE ROOM NO. 218

TRENTON, NEW JERSEY

BEFORE:

KEVIN DRENNAN, Chairman
AMBAR ABELAR
PAUL STRIDICK
ELIZABETH LINDSEY
LEWIS HURD
TANESHIA NASH LAIRD
JAMES MANNING
PATRICIA BRUCK, DAG
JOE NEAL, From the Authority

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

Roll-call: Paul Stridick?

MR. STRIDICK: Here.

CHAIRMAN DRENNAN: Lewis Hurd?

(No response.)

CHAIRMAN DRENNAN: Elizabeth Lindsey?

MS. LINDSEY: Here.

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

Kevin Drennan, I'm here.

Jim Manning.

MR. MANNING: Here.

CHAIRMAN DRENNAN: Ambar Abelar?

MR. ABELAR: Here.

CHAIRMAN DRENNAN: Taneshia Nash Laird?

MS. LAIRD: Here.

CHAIRMAN DRENNAN: And.

We have Mr. Joe Neal for Mr. Carey.

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

MS. LINDSEY: So moved.
MR. STRIDICK: Seconded.
CHAIRMAN DRENNAN: First by Ms. Lindsey, seconded by Mr. Stridick.
Any discussion?
Hearing none, all in favor?
MR. ABELAR: Aye.
MS. LINDSEY: Aye.
MR. STRIDICK: Aye.
MS. LAIRD: Aye.
CHAIRMAN DRENNAN: Aye.
MR. MANNING: I will abstain since I wasn't present at that meeting
CHAIRMAN DRENNAN: Opposed?
(No response.)
CHAIRMAN DRENNAN: Motion carried, five, zero, one.
Thank you.
Moving on to the first item, Camden's request for $306,750 for the Gateway Office Park.
Vince Basara and Jim Harvison.
MR. BASARA: Camden is requesting $306,750 in UEZ funds to pay for costs associated with the Gateway Office Park.
The funds will be used for exterior improvement to the Public Works building, new
fencing, gates and shade trees surrounding the building and also funds will be applied for professional service fees, for the documents that need to be reviewed, construction, inspection and legal fees.

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

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

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

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

Campbell's is also acquiring land and improving it.

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

This all began approximately a year ago with a project development agreement that was negotiated largely through the Office of Economic
Growth, and part of the requirements of that project development agreement was the beautification of some of the City's facilities that are located within the park, primarily, the Public Works building.

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

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

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

CHAIRMAN DRENNAN: I'll entertain a motion.

MS. LINDSEY: So moved.

MR. MANNING: Seconded.

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

Discussion?

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

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

The legal fees are built into this
primarily because almost every project in Camden has a legal aspect to it in that we need to make sure that we have followed all procedures correctly for our redevelopment plans and for development of bid documents and so forth.

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

MR. HARVESON: Yes.

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

MR. HARVESON: Correct.

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

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

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

Mr. Hurd has just joined us.
Any further discussion?
Hearing none, all in favor?
MR. ABELAR: Aye.
MS. LINDSEY: Aye.
MS. LAIRD: Aye.
MS. LINDSEY: Aye
MR. MANNING: Aye.
CHAIRMAN DRENNAN: Aye.
Abstentions?
MR. STRIDICK: Abstain.
MR. HURD: Abstain.
CHAIRMAN DRENNAN: Opposed?
(No response.)
CHAIRMAN DRENNAN: Motion carried, five, zero, two.
Thank you.
The next item is Lakewood's request for $2,396,705 for Downtown Parking Development Phase 2-
Property Acquisitions.
Ms. Komsa.
MS. KOMSA: Lakewood comes before you today for almost 2.4 million dollars for the acquisition of three parcels of land which is within Block 93 which is part of our downtown and the core of our UEZ.
They are also part of a proposed redevelopment area, so to acquire them, that would allow us to start the process of moving along and acquiring all of the properties within that block and also provides for temporary parking while we construct a parking garage on our municipal lot.

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

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

Any questions?

CHAIRMAN DRENNAN: Thank you.

First I will take a motion.

MR. ABELAR: So moved.

CHAIRMAN DRENNAN: First by Mr. Abelar.

MS. LINDSEY: Seconded.

CHAIRMAN DRENNAN: Seconded by Ms. Lindsey.

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

MS. KOMSA: It is part of a whole separate
project that's under review, it is not what is going on here. This is for temporary --

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

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

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

CHAIRMAN DRENNAN: What is the plan for the land?

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

CHAIRMAN DRENNAN: So you intend to sell this land?

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

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

MS. KOMSA: These lots came to us, you see
the second--when the initial discussions started about the parking garage people started realizing they have a very, very valuable piece of land in downtown Lakewood. We are built out in downtown. So these, we have had two appraisals on each of the properties and those are the going rates.

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

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

MS. KOMSA: From between 750 to 850.

MR. HURD: You negotiated that?

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

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

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

MR. HURD: At a lower price than this?

MS. KOMSA: No.

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

MS. KOMSA: Is essential.
We have now in our downtown, we have
probably three to five new buildings going up in the
downtown area, there was an Ordinance requiring
parking for those buildings, we have a severe
parking problem and there is no way out other than
acquiring the land, the redevelopment, and to fill
in this parking garage on our parking lot in the
municipal building.

MR. STRIDICK: Can you explain on lot 15,

block 93--

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

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

MR. STRIDICK: What is the projection for

lot 15, block 93, will that become parking?

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

MR. STRIDICK: 1 and 3 on block 93, the
appraisals have been completed; have they been purchased, or is that part of a future purchase?

MS. KOMSA: Future purchase.

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

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

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

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

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

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

MS. KOMSA: I am without any papers in front of me, but I am going to say we are looking at
three, three and-a-half million dollars.

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

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

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

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

CHAIRMAN DRENNAN: On that note, if you
have cleared this land for a parking lot,
potentially it is good land, and with this new
development that's happening I would assume that it
would substantially increase the value of that land
if somebody wants to develop on it because they are
not going to have to deal with demolition, and those
funds would go back to the UEZ in the second
MS. KOMSA: Anything that we acquire and had to sell we obviously would come back with the second generation funds.

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

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

MS. LINDSEY: I have another question. Do you know if Lakewood has considered doing some kind parking shuttle with buses?

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

There has been in the community a lot of willingness and openness for a parking garage right there in downtown, rather than three or four blocks
out of downtown and being shuttled in.

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

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

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

MS. KOMSA: Okay.

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

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

We anticipate that there will be or could be something with the DEP; we have not moved that
far yet.

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

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

CHAIRMAN DRENNAN: You mean because it is a municipality?

MR. HURD: Yes.

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

MS. BRUCK: It is defined in the statute, municipal services, which are Fire, Police, apparatus, cost of operation, it is kind of a municipal function that is permitted to be funded by UEZ municipality-wise in terms of their obligations. But certainly the UEZ can acquire property for economic development without any match required.

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

Because I am hearing what was proposed and anticipated.

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

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

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

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

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

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

CHAIRMAN DRENNAN: In the parking garage?

MS. KOMSA: Yes, and that may even increase, we are now looking at stretching the parking garage over the top of another building and continuing back into some other lot, if it would be more cost effective to do it now rather than try to add on later.
MR. MANNING: I know 525 is an estimate but how many other spaces would be needed for the functions of the Municipal Building?

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

CHAIRMAN DRENNAN: You mean the municipal building employees?

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

CHAIRMAN DRENNAN: You are looking at about 120?

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

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

MS. LAIRD: Was there a demand analysis?

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

As it is right now, if something should open up in the downtown area it is gone before you know it. People stopped sending, landlords and
developers stopped sending us open space
availability because by the time they faxed it, it
was gone. There is a heavy demand for downtown.

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

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

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

MS. KOMSA: As of right now now yes.

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

How many cars are there now?

MS. KOMSA: About 125 spots that.

CHAIRMAN DRENNAN: Right now?

MS. KOMSA: Right now.

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

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

CHAIRMAN DRENNAN: Any further discussion?

Hearing none, I'll take a vote.

MR. ABELAR: Aye.

MS. LINDSEY: Aye.
MR. STRIDICK: Aye.
MS. LAIRD: Aye.
MR. HURD: Aye.
MR. MANNING: Aye.
CHAIRMAN DRENNAN: Aye.
Abstentions?
(No response.)
CHAIRMAN DRENNAN: Opposed?
(No response.)
CHAIRMAN DRENNAN: Motion carried.
Thank you.
Next is Mount Holly's Second Generation
Fund request for $108,800 for Economic Development
Loan-Sea-Lect Wholesale Seafood.
Kevin Mizikar.
MR. MIZIKAR: Mount Holly is requesting
$108,800 of second generation funding to be provided
for an economic development loan to Sea-Lect
Seafood.
The loan will be at an interest rate of
seven and-a-half percent and will be paid within
eighty-four monthly equal payments.
The total funding request for the second
generation funds makes up about 73.5 percent of the
total project.
The funding will be used for the business to install a bar code weigh and label system and also for the installation of Data Management software throughout.

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

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

CHAIRMAN DRENNAN: I'll take a motion.

MR. STRIDICK: So moved?

MR. HURD: Seconded.

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

Discussion?

MS. BRUCK: Is this for working capital.

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

MS. LINDSEY: I have a question.

On the second generation fund request, I think there is a typo, it says that the total second generation funds is 100,000 and the total available
funds is 914,000?

CHAIRMAN DRENNAN: Okay.

Any further discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

Thank you.

The next item is Orange's request for

$470,747 for Litter Collection Services Phase V

Martyu Mayes.

MR. MAYES: This is a request for $470,747
to fund our litter collection services. It will
fund some ten employees. Those employees will work
Saturdays, they will work off hours that our regular
Public Works employees would not be working.
The project really hasn't changed over the last five years.

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

CHAIRMAN DRENNAN: Thank you.

I'll take a motion.

MR. MANNING: so moved.

MR. HURD: Seconded.

CHAIRMAN DRENNAN: Any discussion?

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

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

And in addition to that we are also studying the feasibility of becoming an Improvement District. Those are like the two things we have in our downtown area.
Like I said the standard is, it's what we normally do, looking at the money that we do have, we are starting to recognize that this is a lot of UEZ funds so in the next year hopefully we will be coming back with less funds based on this project.

That's as as businesses contribute?

MR. MAYES: Yes.

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

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

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

MR. MAYES: Yes.

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

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

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye
MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

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

Glen Carter.

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

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

Apparently the prices for things like asphalt went up significantly and for construction equipment. Apparently this kind of project has a substantial, increase reflected in the formal design of the project.
CHAIRMAN DRENNAN: Thank you.

I will take a motion.

MR. ABELAR: So moved.

MR. STRIDICK: Seconded.

CHAIRMAN DRENNAN: First by Mr. Abela,

second by Mr. Stridick.

Discussion?

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

MR. CARTER: New Jersey DOT.

MR. STRIDICK: They are making up the
difference?

MR. CARTER: Yes.

MR. STRIDICK: Thank you.

CHAIRMAN DRENNAN: Any further discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MS. LINDSEY: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.
Abstentions?
(No response.)
CHAIRMAN DRENNAN: Opposed?
(No response.)
CHAIRMAN DRENNAN: Motion carried.
Next we have Phillipsburg’s request for
$25,000 for First Generation Funds and $50,000 for
Second Generation Funds for Bittone Equipment
Services.
Mark Portnoy.
MR. PORTNOY: We are here for a $25,000
grant and a $50,000 second generation loan for a
really extensive renovation on strategically located
property in our UEZ.
Bittone Equipment Service is an operating
company out in Alpha, New Jersey, outside of
Phillipsburg and well known to our community.
They primarily do overseas sales of heavy
equipment; they will be expanding that operation
into Phillipsburg with this.
I say it is strategically located because
it is adjacent to our redevelopment area at a point
there, a new road will be constructed through that
land that is also adjacent to this property through
a loan from the New Jersey EDI and a five hundred
A thousand dollar grant from the Department of Housing and Urban Development.

This particular project will benefit the community greatly in that it will increase the rateables by improving the deteriorating property as well as creating fourteen new jobs and new businesses all operated by Bittone on property that's been vacant for approximately two years now. So we are asking your support in helping us to fund this project and make it economically feasible.

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

MR. ABELAR: I'm sorry?

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

CHAIRMAN DRENNAN: Any further discussion?

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

MR. PORTNOY: Both the loan and the grant are for the exterior improvements of the property. The interior improvements would need a similar amount, an additional 300,000, but that is
strictly the responsibility of Bittone Equipment Services.

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

MR. PORTNOW: Fourteen new jobs, yes.

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

MR. ABELAR: Aye.

MS. LINDSEY: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

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

Juan Carlos.
MR. CARLOS: This is a request for the renewal of the litter clean-up project for $336,960. As you may all know, Union City is one of the most densely populated cities in the United States.

We have officially a population of nearly 70,000 residents and unofficially probably in the ballpark of 80 to 90 thousand residents. As you can imagine, that translates into high pedestrian traffic, especially through our commercial district.

I think it is one of the reasons why we have so much vitality along our main streets and throughout the UEZ zone. And keeping our streets and sidewalks clean is vital to promoting a positive shopping environment, it is conducive towards safety, and we feel that this is a very important project to keep going.

CHAIRMAN DRENNAN: I'll take a motion.

MR. MANNING: So moved.

MR. HURD: Seconded.

CHAIRMAN DRENNAN: First by Mr. Manning, seconded by Mr. Hurd.

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

MR. CARLOS: Yes.

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

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

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

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

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

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

MR. CARLOS: As far as what portion goes toward salary and how that is broken down I am not sure.
MR. STRIDICK: They do get health benefits?

MR. CARLOS: Yes.

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

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

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

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

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

The benefits would be dovetailed into that.
MS. LINDSEY: Could you ask them to give us a clarification?

CHAIRMAN DRENNAN: Could you do that for us?

MR. CARLOS: Sure.

CHAIRMAN DRENNAN: Just follow-up with Kathie.

MR. CARLOS: Absolutely.

CHAIRMAN DRENNAN: Any further discussion?

Hearing no further discussion, with that condition, I'll take a vote.

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

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

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

MR. CARLOS: All right.

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

Again, basically, Juan has committed to getting the information to the UEZ Authority to clarify how the wage and fringe benefits break down,
to be given to the Board for these jobs relating to
the clean-up project.

I will take a vote.

All in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

Next up we have Vineland's four requests.

The first up is for five million dollars
for an Economic Development Loan to Omni Baking
Company, a New Jersey Partnership.

Jim Lelli.

MR. LELLI: Omni Baking is a partnership
of several bakeries has come together, this is a
business expansion loan for them --

And they have added a whole new line of
baking equipment. The total project is for eighteen million dollars.

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

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

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

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

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

Any further questions, I will be happy to answer them if I can.
CHAIRMAN DRENNAN: Thank you.
I'll take a motion.
MS. LINDSEY: So moved.
MR. STRIDICK: Seconded.
CHAIRMAN DRENNAN: Discussion?
MS. LINDSEY: I guess I didn't see such large loans coming out of first generation accounts.
MR. LELLI: That's the only place it can come from, so the Board approved a loan, the last time we had to take it out of our second generation funds.
CHAIRMAN DRENNAN: This is the creation of 140 to 160 jobs, are they working with the EDA or anything?
MR. LELLI: They work with Work Force Development. They use it all the time, customized training.
CHAIRMAN DRENNAN: Will there be EDA funding as well?
MR. LELLI: Yes, the first part of the loan is through EDA and the tax exempt bond issue, Brown Brothers Harriman, they do not resell the bond issue in the market, they keep it in their own portfolio.
MS. LINDSEY: I don't understand why the
first generation--

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

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

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

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

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

Brown Brothers, which is specifically a company that specializes in tax exempt bond issues and it holds it in their own portfolio so they don't have to worry about reselling them in the market at
an even higher interest rate.

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

I think overall it will be five percent.

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

MR. LELLI: Yes.

CHAIRMAN DRENNAN: I just have a notation.

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

Any further discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)
CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

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

MR. LELLI: Okay.

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

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

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

I will be happy to answer any questions about this.

CHAIRMAN DRENNAN: I'll take a motion.

MR. STRIDICK: So moved.

MR. ABELAR: Seconded.
CHAIRMAN DRENNAN: First by Mr. Stridick, seconded by Mr. Abelar.

Discussion?

MS. LINDSEY: I have a question.

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

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

CHAIRMAN DRENNAN: Any further discussion?

MS. BRUCK: I have a caveat. I just want to make sure that somebody is looking into whether prevailing wages have to be paid in connection with this project. I am not asking for an answer, I just want to--

MR. LELLI: I understand.

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

We try our best to make everybody aware of that.
CHAIRMAN DRENNAN: Any further discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye.

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

The next item is $120,000 for Second Generation Funds for Economic Development Loan to M&G Associates, LLC.

MR. LELLI: This is a company that installs fire alarm and sprinkler systems in commercial buildings.

This has been a local business and they have been in our first Industrial Park for a number of years and they are undergoing an expansion.

The property is big enough for them to take their existing building and lease it out to a,
I think it is an electrical supply firm, and they in
turn built a new more efficient building for
themselves to produce sprinkler systems for their
customers.

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

CHAIRMAN DRENNAN: Thank you.

I'll take a motion.

MR. HURD: So moved.

MR. MANNING: Seconded.

CHAIRMAN DRENNAN: First by Mr. Hurd,

second by Mr. Manning.

Any discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)
CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

Next is $50,850 for Second Generation Funds for Economic Development Loan to John A. Michael Realty Co., Inc.

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

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

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

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

CHAIRMAN DRENNAN: I'll take a motion.

MS. LINDSEY: So moved.

MR. ABELAR: Seconded.

CHAIRMAN DRENNAN: First by Ms. Lindsey and seconded by Mr. Abela.

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

MR. LELLI: The facade improvement is a separate grant for the outside of the building. In addition we have offered them a loan to fix up the interior of the building so as to modernize the inside of the building also. It is part of facade improvement program but they are two separate loan projects.

CHAIRMAN DRENNAN: Thank you. Hearing no further discussion, all in favor?

MR. ABELAR: Aye.
MR. STRIDICK: Aye.
MS. LAIRD: Aye.
MR. HURD: Aye.
MS. LINDSEY: Aye
MR. MANNING: Aye.
CHAIRMAN DRENNAN: Aye.

Abstentions?
(No response.)
CHAIRMAN DRENNAN: Opposed?
(No response.)
CHAIRMAN DRENNAN: Motion carried.
West New York's contract amendment request for $30,000 for UEZ General Maintenance, Phase 2, UEZA 07-122, increasing the project from $150,000 to $180,000, which is a 20 percent increase

Oscar Miqueli.

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

CHAIRMAN DRENNAN: I'll take a motion.

MS. LAIRD: So moved.

MR. STRIDICK: Seconded.

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

Any discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?
(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

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

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

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

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

MR. STRIDICK: So moved.

CHAIRMAN DRENNAN: First by Mr. Stridick.

MR. HURD: Seconded.

CHAIRMAN DRENNAN: Seconded by Mr. Hurd.

Any discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.
CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.

Now I need a motion on Camden's UEZA 07-150 extension.

MR. HURD: So moved.

MR. MANNING: Seconded.

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

Any discussion?

Hearing none, all in favor?

MR. ABELAR: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

MR. STRIDICK: Abstain

CHAIRMAN DRENNAN: Opposed?

(No response.)
MS. BRUCK: Would you state your reason for separating Camden UEZA 07-150?

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

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

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

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

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

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

Is there some other situation that you
aware of?

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

CHAIRMAN DRENNAN: Any discussion from the public?

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

MR. STRIDICK: So moved.

MR. HURD: Seconded.

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

All in favor?

MR. ABELAR: Aye.

MR. STRIDICK: Aye.

MS. LAIRD: Aye.

MR. HURD: Aye.

MS. LINDSEY: Aye

MR. MANNING: Aye.

CHAIRMAN DRENNAN: Aye.

Abstentions?

(No response.)

CHAIRMAN DRENNAN: Opposed?

(No response.)

CHAIRMAN DRENNAN: Motion carried.
(Adjourned.)

CERTIFICATE
I, William Sokol, Certified Shorthand Reporter of the State of New Jersey, License No. 30X100030700, and Notary Public of the State of New Jersey, do hereby certify that the foregoing is a verbatim record of the testimony provided under oath before any Court, Referee, Commission or other body created by statute of the State of New Jersey.

I am not related to any parties involved in this action; I have no financial interest nor am I related to an agent of or employed by anyone with a financial interest in the outcome in which this transcript was taken; and furthermore, that I am not a relative or employee of any attorney or counsel employed by the parties hereto or financially interested in the action.

______________________________

WILLIAM SOKOL

Certified Shorthand Reporter

and Notary Public