

ECONOMIC RECOVERY BOARD FOR CAMDEN
March 25, 2008
Camden County One Stop Career Center, Camden, NJ

MINUTES OF THE MEETING

Members of the Board present: Rev. J. C. Jones, Vice Chairman; Judge Theodore Davis, COO; Mayor Gwendolyn Faison; Elizabeth Lindsey for David Rousseau, acting State Treasurer; City Council President Angel Fuentes; Marge DellaVecchia representing DCA Commissioner Joseph Doria, Jr.; Freeholder Director Louis Cappelli, Jr., Non-voting Member; and Public Members: Rodney Sadler, Rosa Ramirez, and William Hosey.

Also Present: Assistant Secretary: Laura Wallick; Barbara Mickle, DAG; and EDA staff.

Absent: Secretary Caren Franzini, designee for EDA Chairman Carl Van Horn; Legislative Member: Assemblywoman Nilsa Cruz-Perez, and Public Member Robert Milner.

Vice Chairman Jones called the meeting to order at 10:00 am.

In accordance with the Open Public Meetings Act, Ms. Wallick announced that notice of this meeting had been sent to the *Star Ledger*, the *Times*, and the *Courier Post* at least 48 hours prior to the meeting, and that a meeting notice has been duly posted on the Secretary of State's bulletin board at the State House.

A quorum of the ERB Board was present.

Vice Chairman Jones asked for a motion to approve the January 22, 2008 minutes of the Board.

MOTION TO APPROVE: Judge Davis SECOND: Mr. Sadler AYES: 9

MINUTES OF BOARD MEETING

Jeffrey Swartz, Executive Director of the Camden County Workforce Investment Board (CCWIB) welcomed the Members and all present. Mr. Swartz stated that day in and day out the staff at the Camden County Workforce Investment Board, along with its partners represent the best in the State. He exclaimed that education and employment are the keys to economic development in Camden County and the entire State.

Vice Chairman Jones asked Ms. Wallick to summarize the first item before the board, the Camden Redevelopment Agency ("CRA") - Cooper Plaza Acquisitions ERB Recoverable Grant project (**P20263**). Ms. Wallick stated that the Members were being asked to approve a \$1,532,950 recoverable infrastructure grant to the CRA to fund the acquisition of 161 vacant lots and buildings within the Cooper Plaza Neighborhood in the City of Camden.

Ms. Wallick stated that as part of the Cooper Plaza Redevelopment Plan and this related acquisition project, there are 202 targeted vacant properties within the Cooper Plaza Neighborhood in the City of Camden in need of redevelopment. 161 of those will be acquired through this ERB funding. The remaining 41 are owned by A Better Camden Corporation ("ABC"). The Tax Lien Financing Corporation has liens on 125 of the 161 properties to be acquired with ERB funds. The Camden Redevelopment Agency has the right of first refusal on these properties.

Finally Ms. Wallick stated that the \$1,532,950 ERB recoverable infrastructure grant will be secured by a mortgage on the ERB funded properties within the scope of this project. The ERB funds will be disbursed only for voluntary acquisitions and based on satisfactory review of invoices submitted by the CRA.

MOTION TO APPROVE: Mr. Hosey SECOND: Mr. Sadler AYES: 9

Vice Chairman Jones asked Ms. Wallick to summarize the next project, the City of Camden Policing Infrastructure and Equipment project. Ms. Wallick stated that the Members were being asked to approve a \$700,000 non-recoverable infrastructure grant to assist the City of Camden's Police Department in the implementation of a local proxy server and dedicated Internet to support an upgraded computer-aided dispatch and record management systems (CAD/RMS) that will enable the Department to more efficiently and effectively respond to crime.

Ms. Wallick stated that the City of Camden's Police Department combats crime in the city using obsolete and minimally functional equipment and technologies. A commitment to improving public safety in the City and making Camden more attractive for private development requires an investment in technologies to replace and upgrade those currently used by the Department.

Ms. Wallick pointed out that the City of Camden, in partnership with the Attorney General and the NJ Department of Law and Public Safety, evaluated the Department's current infrastructure and equipment and compiled a needs assessment that outlines the infrastructure and equipment needed to impact the level of crime in Camden. The City is seeking to implement a local proxy server and dedicated Internet to allow the Police IT resources to access directly the local area network systems and Internet more efficiently. In addition, the City is seeking to upgrade its Mobile Data Computer (MDC) system and acquire a fully functional modern CAD/RMS system with integrated GIS mapping capabilities. This will help the City's police force put more resources to work in areas that will be of the most impact in supporting the citizens of Camden.

Ms. Wallick stated that the \$700,000 of ERB funding to support the infrastructure improvement is contingent upon receipt of a signed commitment for the balance of funding from the UEZ. The disbursement of ERB funds will be contingent upon receipt and satisfactory review of a detailed scope of work and implementation time line. The ERB funds will be used to pay the City of Camden for the installation of the infrastructure improvements and will be disbursed based on submission of invoices paid or to be paid for work performed. The NJEDA will not require a security lien on the machinery and equipment to be purchased with the ERB funds.

MOTION TO APPROVE: Mr. Hosey SECOND: Mr. Sadler AYES: 9

Council President Fuentes asked if training would be provided for the police department, and if they would be working closely with the Collaborative District Council. Mr. Cordero stated that personnel within the City provide IT training, they would continue working with the District Council and the relationship is positive.

Rosa Ramirez stated that although she would prefer to see the ERB funds invested in neighborhoods, she was happy and excited about the project, and looking forward to a decrease in crime as a result of the improvements.

Camden Police Chief Ed Hargas gave an example of the inadequacy of the present equipment. He

stated that he requested level 1 and level 2 information on March 24th, and as of March 25th he was still waiting on a response to his inquiry. Further he stated that the City places limitations on the number of emails staff can receive on the over burdened system, making it necessary to delete emails before others can be accessed.

Vice Chairman Jones called on Ms. Wallick to summarize the next item, the M&M Development, LLC, Coopers Hill Housing Development (**P20891**) project. Ms. Wallick stated that the Members are asked to approve the request for a \$2,972,832 ERB soft loan to M & M Development, LLC ("M & M") for permanent financing of the 79 market rate units of the 94-unit Coopers Hill Housing Development Project in the Cooper Plaza Neighborhood in the City of Camden.

Ms. Wallick pointed out that the M & M Development, LLC's Coopers Hill Housing Development Project ("Coopers Hill") consists of ninety-four units; seventy-nine of these are market rate housing units while the remaining fifteen are affordable housing units. The purpose of this financing is to subsidize all of the 79 market rate units of this 94-unit development.

Ms. Wallick advised that members that M & M Development, LLC. formed in 1997 is an entity equally owned by Maria E. Yglesias and Maria Del Mar Lopez, who are full-time developers and builders. They developed and built the 18-unit Cathedral Homes and Homestead Homes, both in Newark, NJ. They have also rehabilitated a two building complex, Villa Esperanza, a 44-unit tax credit rehabilitation project in Newark's South Ward.

This project will have three phases, Phase IA, Phase IB and Phase II. Phase IA will produce 27 town homes (23 new and 4 historic rehabs) in a virtually contiguous multi-block area. Phase IB will construct an 18-unit condominium and 12 additional town homes. Phase II will bring about 37 new town homes in scattered areas while accomplishing the core task of the neighborhood redevelopment.

Ms. Wallick pointed out that the ERB will file a third mortgage on the ERB funded properties behind the home buyer's first purchase money mortgage with a lender and the second mortgage with HMFA. The ERB funds will be disbursed to M & M Development, LLC after the completion of the construction of each phase of the project and upon issuance of all of the permanent Certificates of Occupancies.

MOTION TO APPROVE: Judge Davis SECOND: Council Pres. Fuentes AYES: 9

Ms. Yglesias and Ms. Del Mar Lopez provided an overview of the developments plans and showed renderings to the Members.

Vice Chairman Jones called on Ms. Wallick to present the next item, the Oasis Housing, LLC, Oasis I - Sycamore Street Housing (**P20890**) project. Ms. Wallick advised that the Members were being asked to approve the request for a \$360,000 soft loan to Oasis Housing, LLC ("Oasis Housing") for permanent financing of the six market rate units of the Sycamore Street Housing Project in the Gateway Neighborhood.

Ms. Wallick pointed out that Oasis Housing, LLC's Oasis I - Sycamore Street Housing Project ("Oasis I") consists of eight units; six of these town homes are market rate housing units while the other two are affordable housing units. The purpose of this financing is to subsidize all of the six market rate units of this eight-unit development. The remaining two units are affordable housing units. The project is located on Sycamore Street in the Gateway Neighborhood in the City of Camden.

Ms. Wallick stated that Oasis Housing, LLC is an entity formed by Saint Joseph's Carpenter Society and Oasis Development Corporation. Saint Joseph's Carpenter Society and Oasis Development Corporation formed this joint venture in 2005 to develop and market the Oasis I - Sycamore Street Housing Project. Saint Joseph's Carpenter Society, a New Jersey Nonprofit Corporation, was founded in 1985 to help families improve their quality of life and create safe neighborhoods through home ownership in the City of Camden.

All homeowners will be required to attend one-on-one counseling sessions with mortgage counselors and attend the Campbell Soup Homeowner Academy. The owners of these homes would be eligible for the City's tax abatement programs.

Ms. Wallick stated that construction is planned to commence by Summer 2008 and be completed by late Spring 2009. By the end of Summer 2009, all units are expected to be sold.

Ms. Wallick pointed out that the ERB will file a third mortgage on the ERB funded properties behind the home buyer's first purchase money mortgage with a lender and the second mortgage with HMFA. She also stated that the ERB funds would be disbursed to Oasis Housing, LLC after the completion of the construction of the project and upon issuance of all of the permanent Certificates of Occupancies.

MOTION TO APPROVE: Judge Davis SECOND: Ms. DellaVecchia AYES: 8

Ms. Ramirez abstained because she is employed by St. Joseph's Elementary School.

Mayor Faison inquired where her office could obtain information on the Campbell Soup Homeowner Academy classes. CRA, Director of Housing, Olivette Simpson stated that information could be obtained from the Saint Joseph's Carpenter Society in Camden.

Dr. Bernadette Andrews of Oasis Development Corporation stated that classes in homeownership would also be given at the Sword of the Spirit Church located at 1237 Kaighn Avenue in Camden, NJ.

Vice Chairman Jones requested that Ms. Wallick present the next item, the Camden Redevelopment Agency - Campbell Soup Expansion - Utility Relocation (P18198) project. Ms. Wallick stated that the Members were being asked to approve a modification to the \$2,300,000 non-recoverable infrastructure grant to the Camden Redevelopment Agency ("CRA") to allow \$2 million to be disbursed to CRA upon execution of an agreement between CRA and the NJ Department of Transportation (NJDOT). The CRA will then advance the ERB funds to the NJDOT in order to evidence the required funds for cost certification.

Ms. Wallick stated that on April 24, 2007, the Members approved a \$2,300,000 non-recoverable infrastructure grant to the CRA to make critical infrastructure improvements necessary for the creation of a modern office and research complex surrounding the Campbell Soup Company's ("CSC") campus and for pre-development activities.

The CRA has entered into a Project Development Agreement ("PDA") with CSC, the City, the County of Camden, and the NJEDA to facilitate the expansion of the CSC campus in the Gateway Redevelopment Area. The expansion requires critical infrastructure improvements and pre-development activities necessary for the creation of a modern office and research complex.

The infrastructure improvements will take place in a portion of the Gateway area bounded by Pine Street, Rt. 676, Federal Street, Rt. 30 and the Cooper River.

Ms. Wallick provided an update, stating that originally, the County or the Camden County Municipal Utility Authority (“CCMUA”) was to serve as the contractor for the purpose of implementing the sewer relocation component of the project. All parties have agreed that the NJDOT will now act as the contractor for this work. As such, the CRA will enter into an Agreement whereby the CRA agrees to contribute the sums agreed for the sewer component of the project.

MOTION TO APPROVE: Judge Davis SECOND: Council Pres. Fuentes AYES: 8

Mr. Sadler abstained to avoid any appearance of conflict related to his planning board responsibilities.

Vice Chairman Jones requested that Ms. Wallick present the next item, the Cathedral Soup Kitchen (P017436) project. Ms. Wallick stated that the Members were being asked to approve an extension of the project completion date to April 30, 2009 for the Cathedral Soup Kitchen (“CSK”) to construct a new building utilizing a \$1,000,000 ERB public purpose grant.

Ms. Wallick advised that at the April 24, 2007 ERB Board Meeting, the Members approved a \$1,000,000 public purpose grant to Cathedral Soup Kitchen to construct a 14,872 sf facility at 1514 Federal Street in Camden designed to better accommodate its feeding program and seat 288 people at one time. The \$4 million project facility will provide expanded services to begin to address some of the root causes of poverty by offering programs to promote the health status of those it serves, advance self-sufficiency and encourage economic development in the community in which it operates. The project was expected to begin construction in September 2007 and be completed within 8-10 months.

Ms. Wallick remarked that there were unforeseen obstacles that caused delays in the project including the City’s review and approval of plans, which took longer than anticipated. The soil compaction tests revealed large amounts of organic matter under the footprint of the building that needed to be removed and filled with new I-5 soil. These items took approximately 7 months to resolve.

Ms. Wallick pointed out that the City has issued a partial permit to begin the footings and foundations on the site, and the steel structure was ordered and fabricated for delivery. Construction recently commenced and should be completed within 8-10 months. Therefore, Cathedral Soup Kitchen has requested a one-year extension of the project completion date to April 30, 2009.

Ms. Wallick stated that disbursement of the ERB public purpose grant funding is contingent upon the following: receipt of financing commitments from other sources for the balance of the project costs; receipt of a Permanent Certificate of Occupancy; receipt of an executed Annual Service Charge Agreement with the City of Camden; receipt of a NJEDA performance mortgage on the property as security of the ERB funds.

MOTION TO APPROVE: Council Pres. Fuentes SECOND Judge Davis AYES: 9

Vice Chairman Jones asked Ms. Wallick to summarize the Annual Qualified Municipality Capital and Economic Recovery Program Report. Ms. Wallick stated that Pursuant to Section 45 (c) of the Municipal Rehabilitation and Economic Recovery Act, the Camden Economic Recovery Board is required to submit to the Governor and the New Jersey Legislature a report of general project categories and description of proposed projects and the amount estimated to be expended on each project for the ensuing year. The report is to be consistent with and reflective of the goals and priorities outlined in the Strategic Revitalization Plan and the Capital Improvement and Infrastructure Plan.

Ms. Wallick stated that staff has reviewed approximately 105 applications of which 58 are approved for a total of approximately \$139.5 million in grants, recoverable grants and loans. In addition, \$10.5 million has been allocated to the Business Lease Incentive and the Business Improvement Incentive Programs of which 12 projects have been approved for approximately \$2.1 million. The 70 approved projects total approximately \$141.6 million of investment leveraging \$808 million in other public and private financing, resulting in the creation of approximately 1100 full time jobs and generating approximately \$1.5 million in additional annual revenue to the City via real estate taxes and service charge agreements. The balance of the applications received represent 8 pending and 27 withdrawn.

Ms. Wallick referred the Members to an ERB Fund Approval report, which outlines the allocated funds for the approved projects within the five established funding categories. In addition to ERB activity, a summary of the Technical Advisory Committee Report was available which provides a comprehensive description of the economic initiatives supporting the revitalization of Camden. Ms. Wallick noted that the report is presented for information only.

Vice Chairman Jones requested updates or items of interest from the Members.

City Council President took the opportunity to thank Judge Davis for all his assistance, stating that he was pleased with the progress made by the City over the past year. He spoke about the number of summer jobs for the City's youth and thanked the Camden One Stop in that regard.

Mayor Faison took the opportunity to inform all present that on Monday, March 31, 2008, at 6 pm, Rev. Soaries from New Brunswick would be discussing "How to Avoid Foreclosure" at her quarterly meeting being held at the Malandra Hall Community Center in Camden.

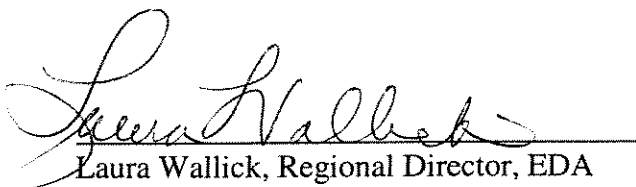
Vice Chairman Jones requested comments from the members of the public.

Karen Talerico, of the Cathedral Soup Kitchen thanked the board members for granting the extension for the project stating that it would be completed on time.

Reverend Anderson, of the Oasis Development Corporation thanked the board for it's assistance and remarked that the Gateway section of Camden was strategic in the redevelopment of the City.

There being no further business, on a motion by Mr. Hosey and seconded by Mr. Sadler, the meeting was adjourned at 11:15 am.

Certification: The foregoing and attachments represent a true and complete summary of the actions taken by the State Economic Recovery Board for the City of Camden at its meeting.


Laura Wallick, Regional Director, EDA
Assistant Secretary, ERB