

Commission Chamber, City Hall  
 Millville, New Jersey  
 April 7, 2009, 6:00 p.m.

The Board of Commissioners met in an agenda session with Mayor Quinn presiding. Members present: Quinn, Shannon, Parent Derella and Vanaman. Absent: None.

Mayor Quinn made the statement required by the Open Public Meeting Act of 1975.

"This meeting is being conducted in accordance with the Open Public Meetings Act of 1975", was advertised, posted and made available to the public as required by Statute. The Municipal Clerk is directed to include a statement in the minutes of this meeting.

The City Clerk/Administrator noted the following additions and deletions to the agenda:

#### ADDITIONS

#### **Report of Commissioners Department of Parks and Public Property**

**Item No. 1-** Report- Recommendations from committee regarding Request for Proposals to Redevelop Millville Gardens, Block 276, Lot 1

#### DELETIONS

#### **Resolutions**

**Item No. 18-** Deleted

**Item No. 19-** Deleted

Commissioner Shannon stated he would be reporting on the Easter Egg Hunt, Youth Sports Leagues ceremonies that will be taking place in the next few weeks and reminding everyone about the Holly City Striders that will be proceeding until the end of May; expressing appreciation to the Master Gardeners for the work they've done at the Millville Public Library and will be announcing an Arbor Day Observance and Dedication Ceremony at Patriot Park in memory of Sgt. Thomas Walkup and Lance Corporal Harry Swain.

Commissioner Shannon also stated he would be reporting on The Cumberland County Chapter of the Red Cross 5<sup>th</sup> Annual Walk-A-Thon that will take place on April 18<sup>th</sup> at the Riverfront Park and in addition Mr. John Romanik, Millville Shade Tree Commission will be present this evening reporting on an award the City of Millville has again received.

Commissioner Derella reported he would be submitting the RAD Quarterly report and progress report of the RAD Project from 2007 until present.

Commissioner Derella also noted he would be submitting the report on collection matters from Richard Daniels.

There being no further business Mayor Quinn declared a public hearing open and asked if any person present wished to be heard regarding agenda items only.

There being no response the agenda session was closed subject to the call of the chair, by the following vote. Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Commission Chamber, City Hall  
Millville, New Jersey  
April 7, 2009, 6:30 p.m.

The Board of Commissioners met in a regular session with Mayor Quinn presiding. Members present: Quinn, Shannon, Parent Derella and Vanaman. Absent: None.

Reverend Gerritt Kenyon delivered the invocation followed by the salute to the flag.

Mayor Quinn made the statement required by the Open Public Meeting Act of 1975.

"This meeting is being conducted in accordance with the Open Public Meetings Act of 1975", was advertised, posted and made available to the public as required by Statute. The Municipal Clerk is directed to include a statement in the minutes of this meeting.

A motion was passed to dispense with the reading of the minutes and to proceed with the regular order of business, by the following vote. Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

The following bills were ordered paid, when properly certified, by the following vote. Yeas: Shannon, Parent, Vanaman, Derella and Quinn.

**COPY OF BILLS SEE PAGES**

**THROUGH**

The City Clerk/Administrator read correspondence received from Dave LaGamba, Supervisor/Athletic Director of the Millville Public Schools regarding approval of 32nd Annual Olympic Day Parade and competition proceeding down High Street to Broad Street to Wheaton Field on Friday, May 22, 2009, 10:00 a.m, with a rain date of Tuesday, May 26, 2009.

A motion was passed to receive and file the correspondence, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

The City Clerk/Administrator read correspondence received from Stephen Dilts, Commissioner of the State of New Jersey Department of Transportation (NJDOT) regarding accepting applications for financial assistance for the NJDOT Municipal Aid, Bikeway, Centers of Place, Transit Village, and Safe Streets to Transit Programs with a deadline of submission on or before June 12, 2009.

A motion was passed to receive, file and refer the correspondence to the Engineering Department for review, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

The City Clerk/Administrator read correspondence received from Mark N. Mauriello, Acting Commissioner of the State of New Jersey Department of Environmental Protection (NJDEP) regarding the City to receive an entitlement of \$36,664.93 for the 2009 Clean Communities Program.

A motion was passed to receive and file the correspondence, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

The City Clerk/Administrator read correspondence received from Michael Russo, Director of the State of New Jersey Division of Local Aid and Economic Development regarding funding for 2009 Centers of Place Program indicating they are unable to fund the City of Millville's application for the Wayfinding Signage Program Phase II.

A motion was passed to receive and file the correspondence, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Commissioner Shannon reported the Easter Egg Hunt held at Union Lake Park had over 500 participants between the ages of 2 and 12 and expressed his appreciation to the Parks and Public Property Superintendent Liz Nicke for a job well done.

Commissioner Shannon also reminded everyone that the Millville Youth Sports League will be conducting their Opening Day Ceremonies this month for Millville Girl's Softball, American Little League, National Cal Ripken Babe Ruth Baseball and Millville Youth Soccer noting hundreds of kids will be participating in the youth sports and wished them all a very successful season and expressed appreciation to the coaches and sponsors for their participation and contributions to the youth activities of the City of Millville.

Commissioner Shannon also reminded everyone the Holly City Striders will be continuing at Lakeside School on Monday, Tuesday and Thursday from 6:30 p.m. to 7:30 p.m. until the end of May noting the Holly City Striders is an adult walking club sponsored by Parks and Public Property, which is free to anyone who wishes to join.

Commissioner Shannon expressed his sincere appreciation to the Millville Master Gardeners for their assistance in cleaning and maintaining the flower bed in front of the Millville Public Library.

Commissioner Shannon invited everyone to attend an Arbor Day Observance and a Tree Dedication Ceremony that will take place in honor of Sgt. Tom Walkup, Jr. and Lance Corporal Harry Swain, IV to be held on Wednesday, April 22, 2009 commencing at 1:00 p.m. at Patriot Park.

Commissioner Shannon also announced the Millville Recreation Department along with the Cumberland County Chapter of the American Red Cross will be sponsoring the 5<sup>th</sup> Annual Walk-A-Thon to benefit disaster victims in Cumberland County, which

will be held at the Riverfront Park on Saturday, April 18, 2009, 9:00 a.m. noting anyone interested in participating can register by calling the Red Cross Office at 413-0909.

Commissioner Shannon introduced John Romanik, member of the Millville Shade Tree Commission, for the following announcement:

*"My name is John Romanik and I am a proud member of the Millville Shade Tree Commission. I'm also a member of the National Arbor Day Foundation. It is my honor to announce that Millville, New Jersey has been named Tree City USA Community by the National Arbor Day Foundation to honor its commitment to Community Forestry. This is the 12<sup>th</sup> Year Millville has received this National recognition. The Tree City USA Program is sponsored by the National Arbor Day Foundation in cooperation with the National Association of State Foresters and also USDA Forest Service. Millville has met the 4 standards to become a Tree City USA Community. One, having a Shade Tree Commission, two; a Tree Care Ordinance and three, a comprehensive Community Forestry Program and also an Arbor Day Observance. Millville is also the recipient of the Tree City USA Growth Award for demonstrating progress in Community Forestry Programs in the following activity areas:*

*Education and Public Relation  
Literature Distribution  
Local Awards Programs  
Community Wide Tree Events  
Continuing Education for Tree Managers Partnership  
Programs for Organizations  
Engineering Forestry Coordination  
Planning and Management*

*The Prestigious Growth Award recognizes environmental improvement and higher level of tree care in Tree City USA Communities. The Chief Executive of Arbor Day Foundation has said and I quote; "A community, its elected officials and its citizens that provide needed care for its trees deserves recognition and thanks." They recognize that trees are a vital component of the infrastructure in our cities and our towns providing environmental and economic benefits. Trees moderate climate, conserve water and provide habitat for wildlife. Trees in urban areas reduce the heat island effect caused by pavement and buildings. Properly placed trees can also increase property values. Communities that are recognized with the Tree City USA Designation and Growth Award go to great lengths to plant and care for the community forest. On that note the Millville Shade Tree Commission cordially invites all our... Mayor Quinn and the Commissioners and the citizens of Millville to our Arbor Day Observance on Wednesday, April 22, 2009, 1:00 p.m. at Patriot Park. Thank you."*

Commissioner Shannon called upon Dr. Kim Ayres, who presented the following report concerning recommendations from committee regarding Request for Proposals to Redevelop Millville Gardens, Block 276, Lot 1:

*"Mayor and Commissioners we are pleased tonight to recommend to you on behalf of the committee that reviewed the three responses we received from our request for proposals to redevelop the 6 acre site, we all know as the Millville Gardens Site. We as the committee, which included Gladys McGraw, Dave Sooy, Heather Santoro, as our RAD Coordinator; Don Ayres from Economic Development and myself and Commissioner Derella. We had special assistance and a lot of guidance from Kevin Grims of the National Development Council. They were our partners in this process and really gave us a lot of direction in evaluating and preparing the proposal. But, the committee would like to recommend to the full commission tonight the proposal that we received from BCM Affordable Housing, whose Principal is Bruce Morgan. BCM would be the primary developer and AHOME Incorporated of Millville would be a co-developer in this project. We just want to take a few minutes to explain to you what the project is all about. Commissioner Shannon is familiar with it and sat in our interviews. We also have some boards to my right, which show the site plan for the site and a typical elevation of a house, as well as a floor plan. So, the reason we are really pleased to be here tonight to talk about BCM's proposal is their entire proposal is for 36 single-family owner occupied homes on this 6 acre site, which currently has 102 apartment units on it. So, we are talking about a 65 percent decrease in density and 100 percent change from rental to homeownership. As you know that's our primary objective we've had for the Third Ward and all of our Center City Neighborhoods has been to really try to convert that ratio of rental units over to homeownership and have folks with a real stake in the neighborhoods. We're very happy to say it's 36 single-family homes, there's 12 homes on 3 large blocks in this site plan and a half acre community park would also be proposed there."*

Dr. Kim Ayres presented the following report:

### **FOUNDRY PARK**

**Developers:** BCM Affordable Housing                      AHOME, Inc. – Co-developer  
Bruce Morgan, Principal

**Project Team:** Ingerman Construction, general contractor  
Haley/Donovan Architects  
Ballard Spahr - attorneys  
Real Estate Strategies – marketing  
Consulting Engineers – civil engineering

- Each partner over 10 years experience in affordable housing
- Completed HOPE 6 project in Bridgeton
- Ability to leverage several funding sources
- Familiar with urban infill projects
- Strong financials
- Strong history of homeownership counseling
- LEED Certified Developer

#### **Project**

**Description:** 36 single family for-sale homes  
One ½ acre park  
3 blocks of 12 homes each

- Unit Mix:** 2 units @ 45% median  
2 units @ 55% median  
2 units @ 72% median  
30 market rate
- Begin:** Traditional Neighborhood Development Design  
Basements, driveways, detached garages  
5,000 SF lots  
25,000 SF park  
GREEN design  
3 bedrooms, 2.5 baths, 1,500 SF
- Pricing:** \$150,000 for 30 market rate; 2 @ \$119,000; 2 @ 80,000; 2@ \$55,000
- Timetable:** Apply for State funding Spring 2010  
Begin Construction (August 2010)  
Complete Construction – 24 months (September 2012)
- Land**
- Acquisition:** Lease for immediate site control  
Purchase for minimum \$505,000
- Financing:** Total project estimated cost: \$9.4 million  
Developer responsible for all financing and guarantees, all approvals  
Various state, local and federal sources proposed  
Developer equity of \$940,000
- Taxes:** Taxes upon project completion estimated to be \$125-150,000

Dr. Kim Ayres made the following comments:

*"The reason that we felt this project really rose to the top. We had three responses totally. This was the one that had the lowest density, it also had the highest amount of homeownership. We have at a minimum we'll receive back from the developer \$505,000.00 toward acquisition cost for the land. This is a minimum. As we identify additional funding sources the developer has agreed to put that money toward a higher acquisition cost. So, the committee looked at it as if this is a good tradeoff in getting a much lower density and achieving our goals in providing homeownership. Currently at the site we are down to one tenant remaining at Millville Gardens. We have the demolition specs just about ready to go and as Heather Santoro will tell you also, we've analyzed the calls for service, because it's just about a year to the day when we started the public nuisance hearings on that property that we've seen a significant, we have probably half the calls for service we had. So, the City's got additional value in just not having to expend our resources out at the site. So, what we would like to propose to the commission and ask for official action from you at the next meeting, possibly, is to designate BCM Affordable Housing as the redeveloper for the Millville Gardens Site, which is 102 W. Foundry, Block 276, Lot 1 and we would ask that you allow us to enter into exclusive negotiations with this developer so we can bring forward to you a Municipal Development Agreement to make this project go forward."*

Commissioner Shannon: *"Thank you Dr. Ayres. I was fortunate enough to be able to sit in, even though I wasn't on that committee, I was able to sit in for the presentations of each of the respective developers. In looking at it, one of the things that really caught my attention as Dr. Ayres mentioned was the idea of reducing the density over 65 percent single-*

family homes, no rentals, obviously that's something that we've been striving for. I think that is key. As she mentioned the nuisance calls and resources that have been spent in the past at this property has been reduced, as she said over 50 percent. This I think is a definite win, win situation, not only for the residents of the Third Ward, because I see this project moving forward as I've seen the values of their homes in the surrounding areas immediately increasing in value. I also thought it was a great partnership where AHOME would be participating in the project itself and will actually be conducting classes for prospective homeowners, putting them through different classes and talking to them about financing and I really think this is going to be a win, win for the entire City. I'm very excited to hopefully see this project move forward."

Commissioner Parent: "also, I think Tim, one thing you haven't mentioned is... the stabilization to Wood School, I think which is extremely, extremely important for the students at Wood School and the teachers and the people in general, because there's a big turnover of students in the lower grades in that particular school from Millville Gardens. This has been a grand old school, the Wood School, I'm sure many people went to it. Thank you."

Commissioner Derella: "Kim, I would like to ask one more question. In our discussions with all the developers, one of the things that kept coming up was the fact that there is opportunity for construction employment here and isn't there some type of requirement, because of this type of project where they would have to hire so many people locally to be able to do that, to create jobs."

Dr. Kim Ayres: "Yes. One of their funding sources would require local labor to be hired and they have traditionally more than double the percentage that's required by the funding source and they have indicated to us a commitment to try at all lengths to hire local folks to work on this project in all capacities. They have done this in the past. I should mention too that BCM Ingerman Housing will be the general contractor, Ingerman Construction and Ingerman is well known throughout the state as one of the very qualified housing contractors throughout the state. Locally, many folks may remember hearing about them as they did the HOPE 6 Project in Bridgeton in which they built very similar style houses, traditional neighborhood type development houses on behalf of the Bridgeton Housing Authority. So, they actually have a very good track record as well for this type of project throughout the state, throughout Pennsylvania and Delaware as well. AHOME is the co-developer, they will also be providing counseling, their homeownership counseling to all of the potential homeowners there and we're very well aware of the services that they have provided to us through our RAD, through our Community Development Program and so forth. So, I think the developer actually brings with them really, a whole host of skill that are really well suited to this particular project. I can tell you they also have a very strong commitment to work with the people who surround this project in terms of a final design. They proposed a site plan to us of 36 homes, they'll now take that as we enter into an agreement with them and come up with a final design, but before they do that they want to sit down several times with the neighborhood and talk to the folks about what do they want to see on the site, what do they think about the arrangement, the layout, the grid pattern

and things like that. So, they fully plan to involve the neighborhood in the final design before they bring anything forward to the residents, which I think is a really important part of this, that's something we've promised over time back to that neighborhood and they're very willing to carry that out and are excited to do that."

Commissioner Derella: "thank you. I would hope that, you know, their commitment to try to use local businesses as far as supplies and other things was some of the things they did mention and hopefully they'll be able to provide with at least with the market rate houses to encourage local real estate, as well as title companies to get involved and have an opportunity to also be part of that. So, I think that's a positive. I know Bridgeton, I went over and saw their HOPE 6, I think it's been a year ago, it came out very nice and Bridgeton said they exceed all of the requirements as far as local employment were concerned as they went through that project. So, that was another good indicator that it's developer does what they say. There was also a couple of things that were discussed where, you know, once it's fully billed there would be an estimated increase in taxes from that property of about \$72,000.00. Regarding Commissioner Parent's comment, there is a basic estimate on savings as far as police calls, which we'll hear more about in another presentation today, as well as the educational cost, because of the transferring of kids in and out of about \$60,000.00 as well. So, again there's some other things that were taken into consideration as the committee went through and spent quite a bit of time going back and forth through the process. We utilized actual evaluation sheets that each member filled out that were tallied up to come up with a consensus on who we were going to use and how we were going to develop that. My final comment is we would hope to have this in front of us in a resolution form at the next meeting. We encourage any Commissioners that have other questions to please go talk to Dr. Ayres, investigate it and really make sure you're up to speed on the details of the project."

Mayor Quinn: "any other comments?"

Commissioner Vanaman: "yeah, even though two of the other commissioners already hit on them, I just wanted to re-emphasize the fact that there has been a tremendous decrease in police services needed in that neighborhood, so I think that in itself shows a definite reason why we had to go forward with this. I was going to point, until Joe just brought it up now, that another good benefit was even though there's a much lesser density there that we're going to actually end up with a higher ratable and therefore get more tax dollars than what we were getting from Millville Gardens.

Mayor Quinn: "thanks Dave. That was my only comment, I believe one of the other proposals, which happens in other communities, some of the developers come in and they want an abatement for residential, which we've never done in Millville with residential situations like this and that's a good follow-up with what Dave said is that's important that these are 100 percent ratables and they would pay that from day 1 and it has been a big improvement for the Third Ward and I appreciate the people in the Third Ward and I've often said, especially Arnold Drive, those people have been saints. They've put up with an awful lot, but they kept their properties up, the properties look very, very nice on Arnold Drive and that's one of the great

*things that was able to be done, that held that cancer from spreading and the cancer is going to be eradicated totally soon and we'll have 36 beautiful new home owned properties, which is, I think, what we all seem to agree upon."*

Cumberland County Health Report for the month of February 2009 was ordered received and filed, by the following vote.  
Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Commissioner Parent warned everyone of a home foreclosure scam and to beware of scams received via email and mail urging everyone to please scrutinize any solicitations they receive and to never send cash.

The RAD Quarterly Report/Presentation covering July 1, 2007 to the present and Report of City Collection Matters from Richard H. Daniels, Esq. were ordered received and filed, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Heather Santoro made the following presentation:

*"Good evening Mayor and Commissioners. I would like to start off with a couple of statistics for some of the different programs that the RAD runs. The first I would like to talk about is Housing Rehab. To date we've completed 43 projects within Center City, South Millville and the Third Ward neighborhoods. We have 16 projects that are currently in process and we receive applications on a daily basis. For rental rehab we've completed 34 projects, that's a matching windows program for the landlords that are in compliance with their tenants and with the no nuisance complaints. We also have helped 13 people purchase homes within the RAD over the last year and a half. We have another two applications that are pending. If you add all of those together we have affected 123 homes within the RAD through the different programs. That's Housing Rehab, rental and the homebuyers. Ninety of those homes have projects completed and another 33 have work currently being done. That's an investment of around \$850,000.00 for 123 homes, which averages less than \$7,000.00 per project. Before I go on to some of our other components I would like to briefly mention two short stories of families that we have helped in the neighborhood and the type of impact that we're having on the residents. We recently had a single grandmother come in, who has taken in her 7 grandchildren and her house was not up to code compliance with her electrical system. They were running on 30 amp electrical service with one outlet in the entire upstairs. They were running extension cords from room to room to have electricity in the other rooms. Obviously, a major fire hazard and through our program we were able to upgrade their electrical system and also remove the lead-based paint that was in her home, because she has young children. That's just one family who we were able to have an impact on. Another was a widowed homeowner that came in who had a leaking roof and the leak was so bad that whenever she would need to use her bathroom she would have to have something to cover her head if it was raining so she didn't get rained on and we were able to fix that for her. Those are just two stories of the many that we hear on a daily basis, so we are having a major impact on some of the lives in these neighborhoods. Next I would like to briefly mention our code enforcement statistics. Derek Leary is out there every day and most of the people in the neighborhoods know who he is. They're very comfortable with him. He has issued*

over 1,500 property maintenance violations since RAD's inception in 2007. He's responded to over 100 complaints from citizens for different code violations and he has issued 38 summonses for noncompliance within the last few months with 38 people having to be taken to court verses 1,500 is a vast difference, so you can see that it's working. Another thing that I think is important to mention at this point and time is the RAD funding has been able to leverage funding from other sources, be it federal or state and some of the projects that we've had, the pedestrian bridge, the money that we have partnered with AHOME and Holly City Development Corporation and our Housing Rehab adds up to about 1.8 million dollars that we have invested, but that has in turn leveraged over 8.6 million dollars, so we're targeting our resources in this concentrated area. So, it's not just the RAD funding that's in this area, it's money from the CHOICE'S Program, it's money from the state rehab programs, the federal rehab programs. So, we have the ability to make a larger impact than what the neighborhood has traditionally been used to. Some of the other forces of funding, AHOME has received a Wachovia Grant for \$90,000.00 and they have a possible, that \$150,000.00 over the next few years that also would be concentrated in these neighborhoods. Weed and Seed to date has over \$500,000.00 and has been in this area to increase our policing and our seeding activities for social service agencies. They recently submitted an application for another \$175,000.00 and we have an opportunity to submit for a year 5 grant. Then there's the Neighborhood Stabilization funds of which we were part of the County Consortium with a possible \$1,000,000.00 for the first round and there's second round grants coming out. So, all of these funds have the ability to impact these neighborhoods. With that, I would like to just briefly mention that with all of that we've accomplished we are moving forward and some of the things we want to work on is focus on block to block in each neighborhood and concentrate resources on a block to block, because we think if you can change one block then you can move on to the next and you see a greater impact that way. I believe that's it for my update."

A motion was passed to receive and file the reports, by the following vote. Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Commissioner Derella: "One quick final comment about this, you know the RAD can be a controversial subject, but one of the key things that we need to point out is any community and any City is only as strong as its weakest neighborhood and the decision by the group that sits up here with input from the professional staff to go after and try to help and bring these older more densely populated neighborhoods back to where they could be value contributed to the community from a tax standpoint, from decreasing debt density in trying to improve the properties I think was the right decision to be made. So, again we'll continue to forge ahead and we'll continue to work as diligent as we can to try to improve these neighborhoods. Because, again if these neighborhoods improve the positive impact is felt not just there, but through the entire City as you move forward. Progress."

The Municipal Court Report for the month of February 2009 and the Municipal Court Report of Collections for the years 2006, 2007 and 2008 were ordered received and filed, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

The following proposed ordinance was read on second and final reading:

Ordinance No. 16-2009

An ordinance approving and authorizing an application to the State of New Jersey Commissioner of Transportation for the Volunteer Millville Fire Department to hold a coin drop on Friday, May 22, 2009, Saturday, May 23, 2009, Friday, September 4, 2009 and Saturday, September 5, 2009 on the Route 55 Southbound Exit Ramp to Route 49 East subject to traffic congestion set forth by the Traffic Safety Department.

Director Vanaman moved for the adoption of the proposed ordinance on second and final reading.

Director Derella seconded the motion

Mayor Quinn declared a public hearing open and asked if any person present wished to be heard.

There being no response Mayor Quinn declared the public hearing closed and asked for a roll call on the motion.

The motion was passed, by the following vote: Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Resolution No. A-6423 authorizing an additional item of revenue in the FY 2009 Budget in the amount of \$15,000.00 which is now available as revenue from the New Jersey Urban Enterprise Zone Authority (UEZ) #09-114 Cumberland County College Mobile Learning Center - Year 13 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6424 authorizing an additional item of revenue in the FY 2009 Budget in the amount of \$81,598.03 which is now available as revenue from the New Jersey Department of Environmental Protection FY 2009 Recycling Tonnage Grant was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6425 authorizing Special Assessment and Municipal Liens to be collected for Clean Up of Property and Board and Secure/Demolition for property known as Block 567, Lot 3, 1106 Brookdale Terrace in the amount of \$8,373.00 in accordance with Chapter 11, Article XI of the Municipal Code was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6426 amending the name of project entitled Small Business Development Center, Resolution No. A-6410 adopted on March 3, 2009 to Cumberland Empowerment Zone Corporation-Entrepreneurial Training Program Year 1, which authorized an application to the New Jersey Urban Enterprise Zone Authority for funding from the Enterprise Zone Assistance Fund was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6427 authorizing submission of application to the New Jersey Urban Enterprise Zone Authority for funding from the Enterprise Zone Assistance Fund in the amount of

\$271,868.00 for the Millville Town Center V was read by the City Clerk/Administrator.

Mayor Quinn declared a public hearing open and asked if any person present wished to be heard.

There being no response Mayor Quinn declared the public hearing closed and asked for comments by the Commissioners.

Commissioner Vanaman: *"Since there's nothing at all attached to this resolution is there some breakdown somewhere on this project?"*

Don Ayres: *"Yes. This constitutes the 5<sup>th</sup> year of paying debt service on the 2.7 million dollar bond that was used to put infrastructure in as part of bringing the Millville Town Center Project here. So, we're paying the debt service completely even though it shows up as a bond, we're completely paying the debt service with UEZ funds and we'll do so, I think through a 10 year bond to be totally paid off with UEZ funds. The amount of money that we get from the Lowes and the rest of the shopping center exceeds the amount of the debt service that we pay out, so it's a cost benefit plus to us on the UEZ side."*

Resolution No. A-6427 authorizing submission of application to the New Jersey Urban Enterprise Zone Authority for funding from the Enterprise Zone Assistance Fund in the amount of \$271,868.00 for the Millville Town Center V was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No.A-6428 authorizing submission of application to the New Jersey Urban Enterprise Zone Authority for funding from the Enterprise Zone Assistance Fund in the amount of \$324,909.00 for the Riverwalk Extension was read by the City Clerk/Administrator.

Mayor Quinn declared a public hearing open and asked if any person present wished to be heard.

There being no response Mayor Quinn declared the public hearing closed and asked for comments by the Commissioners.

Commissioner Vanaman: *"It's been said many times before, but I think maybe it's always worth repeating once in awhile when people hear about these big numbers being spent. There are certain restrictions on what can be spent in the UEZ funds. It's been determined that this was something that qualifies and it's probably more helpful than some of the other issues that we may be faced with that cannot be spent with UEZ funds. So, yeah it's a big number, but there are limited areas that the money can be spent and it has to be spent within the UEZ Zone."*

Resolution No.A-6428 authorizing submission of application to the New Jersey Urban Enterprise Zone Authority for funding from the Enterprise Zone Assistance Fund in the amount of \$324,909.00 for the Riverwalk Extension was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6429 authorizing professional service contract with Triad Advisory Services, Inc. of Vineland, New Jersey to perform Administrative and Monitoring Services of the

City's COAH Program in an amount not to exceed \$11,500.00 with funding from the CDBG Residential Rehabilitation Program in the amount of \$5,000.00 and the Affordable Housing Trust Fund in the amount of \$6,500.00 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Director Derella submitted the appropriate certification as to the availability of funds.

Commissioner Derella made the following comments:

*"The funds again, are coming from the CDBG Rehabilitation Program of \$5,000.00 and also the Affordable Housing Trust Fund of \$6,500.00 and that trust fund, if I'm correct on this, is the money that developers pay to us to meet their COAH requirements that goes into a fund that we established several years ago as one of our options other than the state taking that money and this is one of the permissible uses for that. So, again, we're capitalizing on monies that we collected from other sources."*

Resolution No. A-6430 authorizing Lease Agreement for issuance of 13 Municipal Boat Dock Leases to individuals desiring to dock personal water craft on the Maurice River for the period covering January 1, 2009 through December 31, 2009 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6431 authorizing the establishment of a Petty Cash Fund in the amount of \$4,000.00 for the Police Investigations Unit with the custodian for this fund to be the Investigation Sergeant as assigned by the Chief of Police and bonded in the amount of \$4,000.00 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6432 authorizing the submission of a Recycling Tonnage Grant Application to the New Jersey Department of Environmental Protection (NJDEP) and designating Michael McNiss, Recycling Coordinator, as the representative for the City was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6433 authorizing Grant Application to the New Jersey Department of Environmental Protection (NJDEP) and the New Jersey Economic Development Authority (NJEDA) for Grant Program known as the Hazardous Discharge Site Remediation Fund (HDSRF) for redevelopment of the following 5 Brownfield's sites in accordance with current Zoning standards with Pace & Associates, Inc. assisting the City in preparing the grant applications and related documents at no cost to the city:

- a) Block 576, Lot 6 - Spinelli Property 1201-1219 s. Wade Blvd.
- b) Block 103, Lot 1 - Stewart's Amoco Station - 507 W. Main Street
- c) Block 579, Lot 35 - Shone's Garage - 2126-2128 S. 2nd Street
- d) Block 286, Lot 18 - Millville Laundry - 16 W. McNeal Street
- e) Block 341, Lot 30 - former gas station - 601 Wheaton Avenue

was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Commissioner Shannon: *"I'd like to take an opportunity right now and publicly thank Frank Pace of Pace and Associates. Frank has done numerous jobs for the City of Millville in mediation of environmental cleanup, environmental investigation and for him to take this on at no cost to the City to prepare*

*these grants is a huge help for the City of Millville. I do know that Frank Pace and Pace Associates have worked on many properties and have received no further action on a lot of these properties and we appreciate the work that Pace and Associates have done for the City."*

Resolution No. A-6434 authorizing Grant Application to the Hazardous Discharge Site Remediation Fund (HDSRF) Grant Program for funding for the assessment and investigation of the former Shone's Garage property located on Block 579, Lot 35 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6435 authorizing Grant Application to the Hazardous Discharge Site Remediation Fund (HDSRF) Grant Program for funding for the assessment and investigation of the former Millville Laundry property located on Block 286, Lot 18 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6436 authorizing Grant Application to the Hazardous Discharge Site Remediation Fund (HDSRF) Grant Program for funding for the assessment and investigation of the former abandoned gas station property located on Block 341, Lot 30 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Commissioner Derella made the following comments:

*"Just real quick, the reason these 3 properties were singled out from Resolution No. A-6433 is because they're going to go through the assessment and investigation aspect, which is Step 1 of this process through Brownfield and through the Hazardous Discharge Funds. The other 2 properties with the Spinelli and the Stewart's have already been through that initial step, so there's actually some cleaning activities going on there and they're going to be applied for further investigation and also hopefully, get those things back, viable to be able to be resold and redeveloped in those neighborhoods."*

Commissioner Vanaman: *"we had progress over these actions to be taken and to conceivably we could be putting a lot of good property back to good use."*

Resolution No. A-6437 authorizing adjustments to the Tax and utility Records was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6438 authorizing public sale of equipment no longer needed for public use through a contracted government on-line auction service, GovDeals, Inc. from April 13, 2009 through May 1, 2009 for 1998 Sreco-Flexible 37HP Bucket Machine Puller and Dumper with a minimum bid of \$30,000.00 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6439 authorizing the cancellation of mortgage for Alberta Hoekman, Block 444, Lot 1, 113 N. 11th Street in the amount of \$2,025.00 paid in full was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6440 authorizing an additional item of revenue in the FY 2009 Budget in the amount of \$4,000.00 which is now available as revenue from the Click It or Ticket-2009 Mobilization Grant, NJ Office of Highway Traffic Safety was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

A motion was made to approve Social Affair Permits on behalf of the following:

- a) BPOE #580 Millville Elks Lodge, to be held at the BPOE #580 Millville Elks Lodge for a Beef & Beer on May 9, 2009, 7:00pm to 11:00pm
- b) BPOE #580 Millville Elks, to be held at the BPOE #580 Millville Elks Lodge for Beef & Beer on May 16, 2009, 4:00pm to 8:00pm
- c) BPOE #580 Millville Elks Lodge, to be held at the BPOE #580 Millville Elks Lodge for a Comedy Night Beef & Beer on June 27, 2009, 7:00pm to 11:00pm
- d) Millville Kiwanis, to be held at the BPOE #580 Millville Elks Lodge for a charity event for youth activities on May 8, 2009, 6:00pm to 10:30pm
- e) Ukrainian National Home, to be held at the Ukrainian National Home for a dance on April 25, 2009, 5:00pm to 12:00am

The motion was passed, by the following vote: Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Report from Purchasing Agent regarding bids received on April 7, 2009 at 10:00 a.m. for project known as Millville Department of Public Works Wood Grinding and Recycling indicating the bids will be reviewed and award of contract will be at a later date.

A motion was passed to receive and file the report, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

A motion was made to approve Raffle License #874 on behalf of the Kiwanis Club of Millville for an On-Premise 50/50 cash Raffle to be held on May 8, 2009, 6:00pm to 11:00pm

The motion was passed, by the following vote: Yeas: Shannon, Parent, Derella, Vanaman and Quinn.


A motion was made to authorize Special Events on Public Lands Applications for the following:

- a) Sunrise Service sponsored by the Greater Millville Ministerial Association to be held on Sunday, April 12, 2009, 6:30am at Corson Park
- b) Vintage Car Parade & Show sponsored by the Millville Development Corporation to be held on Friday, May 29, 2009, 6:00pm to 8:00pm Vintage Car Parade to/from New Jersey Motorsports and Car Show on High Street in the Downtown Arts District

The motion was passed, by the following vote: Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Report from Engineering regarding bids received on February 24, 2009 at 10:00am for project known as "City of Millville Wayfinding Signage - Phase I", rejecting the apparent low bidder, Michael Anthony Sign Co. of Avenel, New Jersey in the amount of \$182,970.00 which said bidder was unable to provide

references for at least 2 signage projects of similar scope and value completed within the last 3 years which is a mandatory requirement of the bid documents and awarding the bid to the apparent second low bidder, L&H Signs, Inc. of Reading, Pennsylvania in the amount of \$215,881.00, with said bidder fully complying with the requirements of the bid documents and upon subsequent investigation was found to be highly qualified to perform the scope of work required by the project.

<b>CITY OF MILLVILLE</b>		
<b>COMMISSIONERS</b>	 <i>"A MAIN STREET NEW JERSEY COMMUNITY"</i>	<b>OFFICERS</b>
JAMES F. QUINN, MAYOR Director of Public Affairs	12 SOUTH HIGH STREET P.O. BOX 609 MILLVILLE, NEW JERSEY 08332	LEWIS N. THOMPSON City Clerk/Administrator
JAMES T. SHANNON Director of Parks & Public Property	TELEPHONE: (856) 825-7000 FAX #: (856) 825-3686 www.millvillenj.gov	RICHARD C. McCARTHY City Attorney
JOSEPH J. DERELLA, JR., Vice-Mayor Director of Revenue & Finance		MAUREEN P. MITCHELL Chief Financial Officer
W. JAMES PARENT Director of Public Works		SUZANNE L. OLAH Tax Collector
DAVID W. VANAMAN Director of Public Safety		BRIAN P. ROSENBERGER Tax Assessor

March 30, 2009

Mayor and Commissioners:


On Tuesday, February 24, 2009 at 10:00 A.M. the Millville Purchasing Board received bids for "City of Millville Wayfinding Signage - Phase I". There was a total of twelve (12) bids received ranging from a low bid of \$182,970.00 to a high bid of \$447,150.00. A complete tabulation of the bids received are detailed in a Summary of Bids on file in the City Clerk's Office. The Engineer's Estimate for this work was \$322,808.00. Monies for this project are available in the amount of \$300,000.00 through a grant from the New Jersey Department of Transportation Local Aid for Centers of Place Program FY 2008.

Upon review of the qualifications of the apparent low bidder, Michael Anthony Sign Co. of Avenel, NJ was unable to provide references for at least two (2) signage projects of similar scope and value completed within the last three (3) years which was a mandatory requirement of the bid documents. Additionally, the answers provided by Michael Anthony Sign Co. to a subsequent list of questions regarding their qualifications were inconsistent with the Bidder's Qualifications information submitted with the bid and their website portfolio, specifically concerning their employees and certain licenses and certifications held by the company. Based on these circumstances, it is my conclusion that Michael Anthony Sign Co. is not qualified to perform the scope of work required by this project, and I hereby recommend that their bid in the amount of \$182,970.00 be disqualified.

Upon further review of the apparent second low bid of \$215,881.00 submitted by L&H Signs, Inc. of Reading, PA, this bidder fully complied with the requirements of the bid documents and upon subsequent investigation was found to be highly qualified to perform the scope of work required by this project. Thus, I hereby recommend award of contract to L&H Signs, Inc., 425 N. 3<sup>rd</sup> Street, Reading, PA for their successful "qualified low bid" in the amount of \$215,881.00.



Respectfully Submitted,

  
Richard S. Jones, PE, CME  
Assistant Municipal Engineer

RSJ:rj/rj989

A motion was passed to receive and file the report, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Resolution No. A-6441 authorizing the rejection of bid for project known as "City of Millville Wayfinding Signage - Phase I" from the apparent low bidder, Michael Anthony Sign Co. of Avenel, New Jersey in the amount of \$182,970.00, was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman

and Quinn.

Resolution No. A-6442 authorizing award of bid to the apparent second low bidder, L&H signs, Inc. of Reading, Pennsylvania for the project known as "City of Millville Wayfinding Signage - Phase I", in the amount of \$215,881.00 was adopted, by the following vote. Yeas: Parent, Derella, Shannon, Vanaman and Quinn.

Director Parent submitted the appropriate certification as to the availability of funds.

A motion was passed to authorize the City Clerk to advertise for bids for the project entitled "Millville Streets and Roads Department 2008 or Newer Ford F250's and F450's or Approved Equals" with said bids to be returned to the Purchasing Board on Tuesday, April 21, 2009 at 10:00am, Commission Chamber, City Hall

The motion was passed, by the following vote: Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Mayor Quinn stated: "We have now reached the public comment portion of our meeting. Anyone who would like to address the commission, please go to the podium, state your name, and address your concerns. Please limit your comments to approximately 5 minutes."

Paul Porreca: *"Good evening Mr. Mayor and Commissioners, my name is Paul Porreca and I live on Porreca Drive. I want to thank the four incumbents who, and only four Mr. Parent, the four incumbents who are running for re-election who called me, as the representative of Millville First, that you will attend our Candidate's Night, which is on April 14<sup>th</sup>, that's a week from tonight at the American Legion building on Buck Street in Millville at 7:00 p.m. We now have acceptances from 7 or 8 of the main candidates and hopefully they all will accept, but at this moment we have you gentlemen who and additional ?????? I just got another one, we got 9, he's saving a stamp and a phone call, which is okay. I was asked earlier by the Mayor about the format and perhaps, it might take a minute to say what it is. This is not a forum, it is not a debate, it is a Meet the Candidates, so we intend to have a social time for a part of the meeting and then depending on the number of candidates that are coming, we allot so much time to each of you to make a presentation at the end. No questions from the audience, no debate, it's designed to let the people have an opportunity to get up close and personal and meet you if they haven't or ask you questions privately. Then after the presentations, I know many of you have other places to go, but those of you who can stay, stay as long as you like and as long as the people like to continue to mingle and respond to their questions. So, we're looking for a fairly social, but informative and helpful meeting and we welcome the opportunity to provide that for the public and we again invite everybody on Tuesday, April 14<sup>th</sup> at 7:00 p.m. at the American Legion building. So, thank you again. Now, I have a number of items that I would like to mention and I'll try to do it efficiently. The RAD report was very interesting and very positive and as you are well aware Millville First had some criticisms about the RAD and those criticisms went to the fact that while the purpose of the program of rehabilitation and improvement of neighborhoods is good and we support that. What we do not support is what we consider to be the useless*

expenditure of money to create a district and your own bond counsel, Mr. McManimon, stood right over there in response to a direct question and admitted that it was unnecessary to create a separate entity or utility in order to do this and that you had the ability to borrow the money and do it on your own without, I think it was almost a 2 year project spending funds for professionals to set this up. The other thing that we objected to in connection with it, in addition to that unnecessary bureaucracy being established and funded, was that the RAD divert 50 percent of all new tax ratables from a certain zone and in that zone is included the new shopping center, Union Lake Crossing. We felt that was unfair to the rest of the community, because, particularly you men over time had constantly suggested that when the new improvement came along and these new ratables arrived that they would be a benefit to the entire community in terms of maintaining tax rates, etc. Then you passed this RAD business, which diverts fully 50 percent of any new construction, so we felt that was just not in keeping with the past suggestion. So, while we applaud the effort to improve the neighborhoods and we applaud the effort, I suspect to help, if it's properly administered, people improve their properties and homeownership and all of that. The manner in which it was done with the cost associated therewith was unwarranted and uncalled for in our opinion, which incidentally was shared by one of the fellows who was getting a check and that's Mr. McManimon. Okay, so much for the RAD, it's done, over with, you did it, but we feel is an unnecessary expenditure. The other thing that came up is the Millville Gardens replacement. It sounds like a great project, but I have to look at what's going to happen next and see there were no resolutions tonight, although Dr. Warker called for a resolution to, as I heard it, a resolution to authorize you to now negotiate with this developer exclusively. Now, what happens typically in your past MDA's, Municipal Development Agreements, they come to the public as a done deal. Now, I will agree that they are introduced with an Ordinance that is then advertised and two weeks later there's a public hearing and then on the second reading they're adopted. It is too late after they are introduced with the Ordinance in that first meeting for you to really get any meaningful input from the public. Because, A) two weeks certain isn't enough time, but that can be done, but it's all set. In other words when that contract comes, you have behind closed doors and I understand it's legal, behind closed doors negotiated this contract with no input or information, maybe there would be a good idea out there from the public and you have said to the developer, yes, that's the contract that we'll sign on to, but we got to run it through a public hearing. I don't know the answer and we're certainly not going to arrive at it tonight, we had pieces of this discussion before and it would... I would respectfully suggest that you devise a way that the public, those interested, know what's going on as it progresses and perhaps we can avoid some of the criticism that had arisen about at least one of your Municipal Development Agreements, which I will touch on later. So, in connection with this project, it sounds wonderful, but the idea that we're going to see it, if the same process is followed when it's in affect an accomplished fact really doesn't cut it with those of us who are interested in the day-to-day operations of the City. I was wondering if there was a response, I should have asked him privately, it was mentioned at our, at a prior meeting that the City was taking a second look at the tax abatement, the 5 year tax abatement that was granted to the storage facility, because there was a question about the employment recommendations. I didn't hear

anything else about that or anything else about Circuit City's tax abatement and I was wondering if there was a response to that tonight. Did anything happen on that Richard, the Zeus thing?"

Richard McCarthy: "Yeah, I had periodic conversations with the Tax Assessor and he is soliciting additional information. My most recent conversation was probably about 8 to 10 days ago and there was still some information he was looking for. So, on that issue he's following up, it's an active matter and I just don't have an answer for you."

Paul Porreca: "Okay, fine. Circuit City what's..."

Richard McCarthy: "Circuit City, there was a letter sent out by Brian Rosenberger to Goodmill advising them of the circumstances and we understand there is a pending tenant coming and they have been advised that we need to have the details on that. When, how the transition is going to take place and if there's a fit up, a time and period needed for fit up."

Paul Porreca: "good."

Richard McCarthy: "and I had a personal conversation to that affect with Steve Durst."

Paul Porreca: "alright, so if there's a tenant goes in, then the tax abatement continues assuming they meet the condition..."

Richard McCarthy: "if they meet the basic criteria..."

Paul Porreca: "and I guess the same would happen with, I think Venuto's Pizza closed up, so that would be the process there..."

Richard McCarthy: "it would be the same process and I can't speak to whether Brian sent out a letter, but he's usually on top of these things, but I will check on it..."

Commissioner Derella: "???? Circuit City..."

Richard McCarthy: "Venuto's..."

Commissioner Derella: "okay..."

Richard McCarthy: "I wasn't aware of that..."

Commissioner Derella: "I have not received that letter, but I did receive the letter from Circuit City..."

Paul Porreca: "Yeah, well that was a biggie and I was just told by someone that Venuto's was closed, I personally didn't go up and look..."

Mayor Quinn: "they are..."

Paul Porreca: "the next thing has to do with this whole abatement process and as I continue to research it and look at it and study the statutes, it's always something new that you find and what the conclusion or judgment that I'm finally coming to is that although, you know, my position about abatements. The 5 year abatements look pretty good when you start to compare

them to the 15 year abatements. Alright. We got a long discussion and Richard and I have been having a long discussion about the technical requirements of 15 year abatements and how they fit particularly with the Motorsports Park contract. The Target one, it seems to me fits in the four corners of statute, but I personally don't think that the Motorsports Park contract as drawn and the contract as signed by you people does fit. However, that said, on more than one occasion, more than one Commissioner has said that... words to the affect, we don't think we'll be granting anymore 15 year abatements, which I applaud. But, that Ordinance stands on its own and you can repeal the 15 year abatement ordinance in two meetings. Very easily. So, if it is truly your sense or your judgment or your feeling or your position, whatever you want to call it, that 15 year abatements are not warranted and that you don't intend to give them, then I urge you to walk the walk and introduce an Ordinance repealing that section of the abatement Ordinance leaving the 5 year in place. I've given up, Mayor you beat me down, you wore me out. I've given up on the 5 year abatement deal, but the 15 year I think I have some signals from you men in those statements from that podium that you don't think you'll be giving anymore. Well, let's make it the law and simply introduce an Ordinance at the next meeting that says Chapter whatever, 65-9 or 65-10, is hereby repealed and then we don't have to worry about 15 year abatements. Okay. Now, that gets me to the Motorsports Park Financial Agreement and I have continuing responses from the bench over here on the right, that the required reports, a total project cost report, a audit of expenses and etc. and the financial reports, which is an Auditor's Report, an Ownership Disclosure Report and a Project Cost Report are required by the contract that you men sign with the Motorsports Park have not been filed. I submitted my OPRA Request 6 weeks ago or so and as of yesterday they still have not been filed. I just think that is inexcusable and unforgivable and one of them is what, 16 or 15 months past due, the others may be one or two months and one of them only 30 some days or whatever. It doesn't matter. It's overdue. This was one of my major objections to your agreement. It had no consequences where tools or mechanics to compel compliance. So, the solicitor has dutifully written and re-written and insisted and asked and cajoled and begged and no reports. Not right. So, that's a problem with one of the problems and that's only one small aspect. The next problem that I have and I just cannot get to the bottom of it by reading the statute and by even discussions with you and that is how this number of \$175,000.00 came to be. Now, two or three meetings ago, I guess in February, Commissioner Derella very candidly said, I guess that I'm the person who carried the \$175,000.00 number to this Commission and the four of you who were on it at the time, Mr. Vanaman was not here, then voted to approve it. I'm mystified for a bunch of reasons, not the least of which is the Municipal Development Agreement only talks about \$350,000.00. You approved that and they proceeded ahead with their project and then in the financial agreement, which comes 2 years later, actually 4 years later if you talk about the first agreement, which was breeched and... not terminated, they expired and then you did another one and comes the financial agreement and for the first time \$175,000.00 shows up. Now, the statute is pretty clear and you did it with Target, which is why I said don't have an issue with the mechanics of Target, alright. The statute is very clear and the reason a project cost report is required is because the tax, the payment in lieu of taxes that is paid by the project, in this case the park, is supposed to be 2% of the project cost. Then there's another section of statute

that says you can get around making them pay 2% in a different way if the project will not occur if you nail them for 2%. Now, 2% of the project cost, depending on what you, which paper that they filed with you that you accept, because one says \$40,000,000.00, one says \$50,000,000.00 another says \$20,000,000.00, there's a \$25,000,000.00 figure out there someplace, but if you just take the \$20,000,000.00 at the moment, you have \$20,000,000.00 and 2% of \$20,000,000.00 is you know about \$400,000.00 I guess and if you take the \$50,000,000.00 then it's a million bucks. So, that the only thing that's authorized in the statute in terms of a payment in lieu of taxes, but you fellows came up with \$175,000.00 with no explanation of where it came from. Now you can, however, because the Motorsports Park says well this project can't go if you want us to pay 2%, you know, that much money, so you can then give them grants or direct payments. Not reduce their annual payment, but give them actual grants, which is what you did for Lowes and Target and Goodmill. You wrote checks to help with what they were doing so that they could afford, you know, so an outfit like Target could afford coming to Millville, I say with tongue-in-cheek. But, you didn't do it here and I frankly think you're outside the statute. Now, the solicitor and I are debating that in private, you know, but that's my problem in Municipal Development Agreements on how they come to pass automatically real fast, you know with a 2 week hearing, and you negotiate it behind closed doors and that's the end of it. Now, so after all that is said and done, I have a question and I guess I have to direct it to Commissioner Derella, only because he fessed up to being the one who carried the number here. How was the \$175,000.00 arrived at?"

Commissioner Derella: "I can't give you an answer on that. Commissioner Shannon was with me in those meetings and there was discussions without Commissioners involved through the Economic Development Office and the number came up based on what they would be able to make the project work and it was based on the racing venue, if I'm correct Mr. Ayres, he was involved in it as well. I can ask him for a better explanation in regards to the project. But, yes I was involved with it from the negotiations that were there, as along with Commissioner Shannon..."

Commissioner Shannon: "and my understanding and my recollection of that was the \$175,000.00 was determined on the first phase of the project that was going to make that project work. We came back and suggested that to the full Commission, minus Commissioner Vanaman, that the synergy created by that park would far outweigh that number..."

Paul Porreca: "I understand that part of it, but what I'm trying to get at is how did you settle on \$175,000.00 and I think what I just heard was that the developer said to you \$175,000.00 is what we can pay... and if that's what happened, fine, I would just like to know. In other words, what's it tied to? Is it tied to something? Because, the statute ties it to project cost and this \$175,000.00 is apropos nothing, unless you can find me something other than the developer told us that's the number. But, see the only way you can get to it in the statute, and you can get there, but every year you've got to appropriate the difference. You have to charge them the 2% and it comes out to a difference of 5 or 600,000.00 a year and you fella's have to sit here and appropriate it and the beauty of that is the public then knows how much it is and incidentally, while we are on that topic or I'm on that topic, I asked months

ago if the City would do an analysis of how 15 year abatements affected the local rate as opposed to taxpayers in general and Commissioner Derella very generously and gentlemanly like, said yes we will do that. I've never seen it. So, I did it. I don't want to bore you with the detail, but I'll be happy to share it with you and it seems to me, it's hundreds of thousands of dollars that the City loses, which is fine, because of your statement that you say it's going to create all these other things. Of course, I have some real questions about that when I see what the job predictions were and what they're filing through the UEZ say they're only about 5% of what they promised you, but hey, maybe it'll get better. The point is, where did \$175,000.00 come from? Now, if you're telling me that the developer said we can pay \$175,000.00. There's the answer. But, as of this moment that is the only conclusion I can come to, unless you can tie it to something and say look it's 1%, but according to statute it says 2% and we went with 1% or we thought that, you know, that would be the cost of what services we would provide, but I don't hear any of that. All I hear is the developer said if you guys want this project you put \$175,000.00 in the contract. That's all I'm hearing. Can somebody tell me something different?"

Commissioner Shannon: "well, all due respect Mr. Porreca, I honestly cannot be exact on how that \$175,000.00 came up. I can tell you that I remember that number being discussed in meetings, with that's the number that's going to make this project work. Now, did the developer come to me and say this is what I'm going to pay? I don't remember the developer coming to me and saying I'm paying \$175,000.00. I think in our discussions in our meetings that \$175,000.00 came up, but again this happened a few years ago and I'm going to have to go back and pull my notes and look at some of these original notes that I took from those meetings. Because, you're asking me something you have in front of you. I don't have that in front of me and I'd have to go back and look at my notes to be honest with you..."

Paul Porreca: "no, I don't have anything in front of me. That's my problem. There's nothing to have and what you don't tell me that the City said, oh, why don't you pay \$175,000.00. All I'm hearing you say is that the developer... and I understand that, because it's right in the statute. It's right in the statute. If the normal deal won't work then the City can do something to make it work, because it's determined that it would do great things for the City. Exactly what you said, it's in the statute. But, it doesn't authorize it the way you did it. Okay. I know what I heard from all of this discussion, the number came from the developer. Which is okay, but you can't suggest anyplace else it came, don't tell me the City said we only want \$175,000.00. I know that didn't happen I hope. It had to be the developer saying this is the number that will make the project work. Isn't that what you just said?"

Commissioner Shannon: "I said we had discussions..."

Paul Porreca: "okay. alright..."

Commissioner Shannon: "okay..."

Paul Porreca: "yeah, alright..."

Commissioner Shannon: *"and the other thing I would like to clear up. Let me go back to when you talked about the 15 year abatement..."*

Paul Porreca: *"15..."*

Commissioner Shannon: *"the fifteen year..."*

Paul Porreca: *"15, I thought that you said 50..."*

Commissioner Shannon: *"the 15 year abatement and you sort of gave a general consensus that we've all made a statement that we don't want to grant anymore 15 year abatements. I would like to publicly state that I don't think I said that..."*

Paul Porreca: *"and I'm sorry, if I... I said some Commissioners on more than one occasion. Okay..."*

Commissioner Shannon: *"so, I just wanted to make sure..."*

Paul Porreca: *"I know it was Commissioner Derella, because we usually have that discussion..."*

Commissioner Shannon: *"I would like to make sure my position is known. My position is this, I would like to have the opportunity as long as I sit in this seat to look at each individual application for that 15 year abatement and get recommendations from the professional staff before I throw a blanket over saying I'm not in favor of granting any 15 year abatements..."*

Paul Porreca: *"okay..."*

Commissioner Shannon: *"so, I just want to make sure I said that..."*

Paul Porreca: *"yeah, and I'm sorry if I ascribed that statement to you, but I know..."*

Commissioner Shannon: *"I just wanted you to be clear that, you know, where I stand..."*

Paul Porreca: *"understood and agreed..."*

Commissioner Vanaman: *"yeah, I would like to ask for a clarification on something you said Mr. Porreca, just so it's clear to me. In your opinion, the way you read the state statute, the 2% is a firm number or it can be negotiated down and somehow worked out that the municipality could grant monies to a developer?"*

Paul Porreca: *"the 2% cannot be negotiated down in my opinion. However, to make the project work, if that 2% is more than the developer feels it can pay the City can then make direct payments..."*

Commissioner Vanaman: *"okay, well, that's what kind of what I meant by being negotiated..."*

Paul Porreca: *"like you did and to make it clear, just like you did with Target and Goodmill, but you can't negotiate the 2%..."*

Commissioner Vanaman: "okay, well I used the bad term then. So, the 2% is firm, but then there would be a way to funnel monies back to the developer, but it would be in a much more transparent way..."

Paul Porreca: "correct..."

Commissioner Vanaman: "out in the public view..."

Paul Porreca: "correct."

Commissioner Vanaman: "okay, that's what I thought I heard. Thank you."

Paul Porreca: "Any other questions? Okay, thank you very much."

Richard McCarthy: "Commissioner Derella do you want me to respond to any of that?"

Commissioner Derella: "yes, please. I do know some of the numbers came from looking at project cost in Phase I on strictly the racing venue right on through the steps and I know you have some information to share with that as does Mr. Ayres."

Richard McCarthy: "let me try to deal with... if I remember, because I think there was 3 major points that Paul Porreca made. First of all, let's deal with the analysis of statute. We had redeveloper attorneys from the outside work on this particular project, because of the complexity involved. I'm sure and I believe everybody knows that by this time, because it's been mentioned more than once I think. I solicited after discussions with Paul about this and my reading of the statute and Paul's reading of the statute, in fairness I solicited information from our redevelopment attorney and he's responded to the analysis that Paul has presented to the Commissioners today, because he's a redeveloper attorney who actually participated in the negotiations with the establishment of the PILOT and it's his opinion, respectfully, that exactly what the City did can be done legally under the statute. I have it in writing and we'll make that available at the appropriate time, we just received that on Monday and Commissioner Derella just received it and consequently there wasn't time to have it on the agenda or even to disseminate it anyway. But, we did follow-up on your questions, because of that issue and felt that the appropriate place to go, other than simply say I agree or disagree with you, is go to the horses mouth who, you know, go to the people that were the experts, go to the people who acted on the City's behalf and go to the people that essentially negotiated not the variation of terms, but negotiated how language would have to be constructed in order to comply with the statutes. There's 2 statutes involved. It's not just the 2% statute, which Judge Porreca has been referring to, but there's also another statute that he's very much aware, because we have had those discussions, where it gives the municipality redevelopment power. So, on that issue there's a legal disagreement of opinion between 2 lawyers, a former Judge and an expert in redevelopment law. I'll let it sit right there. My opinion, for what it's worth, is not important really..."

Paul Porreca: "good move Richard."

Richard McCarthy: "No. 2..."

Commissioner Shannon: "wait, I think I just heard an attorney hold his opinion. Mark that down."

Richard McCarthy: "I believe there was a second matter that was presented by Paul Porreca and that has to do with the arrival of the figure in the negotiations. There's a lot of components, economic components to this project. Many of which are commercial components that we're only starting to see the beginnings of by the construction of these Villas and things that have been discussed. The main product that had to be put in place was a noncommercial element or characterized as noncommercial elements, because they required a very dramatic investment of capital, which in a stand alone project you would never make, because you would never get a return. In economic terms it's called like a lost leader. It's a thing that brings people in and it stimulates the interest, but without other economic components that would never make a profit so therefore a profit making entity would not invest and that has to do with the track itself, which a number of venues related to the track, which were called in the agreement noncommercial elements. The total of the noncommercial elements were estimated to cost over Phase I, II and III, was estimated to be \$80,000,000.00 and the figure that the developer made it clear that they could afford to pay and they couldn't based on the other numbers they were dealing with in connection with the project and they couldn't go above this figure was \$350,000.00 associated with that \$80,000,000.00 component. There are millions of dollars worth of other components to this project that will be taxed at the normal, normal assessment basis, which deals with these residential components that would be regularly taxed that are coming as part of this project. There are also commercial elements that are anticipated to be built later, including hotels and certain restaurants connected with the hotels and some other things that may be fully taxed or may get a 5 year abatement. It depends on the circumstance, it depends on that deal for those particular matters, but it certainly was a difference. So, we're talking about the component of the track that was subject to the 15 year. The language that was used and negotiated was proportionately. In other words they would pay it proportionately as those noncommercial elements were phased in. It was estimated that Phase I would represent half of those, \$40,000,000.00 and therefore the proportionate share of that PILOT would be \$175,000.00 for Phase I when it was fully built in, which it was. That's where those numbers came from. Now, the Municipal Development Agreement talks about the overall figure of \$350,000.00, because that's what we were talking about and that's what you had put in the Municipal Development Agreement. But, the financial agreements have to be done separately as the phases are brought in. Because, the financial agreement have to be done before the first shovel... it's just the opposite of a 5 year abatement and it has to be put in place before the first shovel is put in the ground. So, you're always dealing with estimates at that particular point and time and that's why there's the need for these other submissions that we'll be talking about briefly. But, that's how those figures were arrived at, that's why the financial agreement only covers part of the noncommercial elements, the first half of them. There will be another financial agreement to deal with the remainder of them at the appropriate time, but that's why the Municipal Development Agreement talks about the \$350,000.00 and the financial agreements deal with the components and stages. Now, that's my understanding of what transpired based on dealing

with, not only listening to what the developer had to say, but also listening to the, our redeveloper attorneys who were inevitably involved with this process at every stage. I can guarantee you I would never have come up with this scheme, because I did not have the knowledge to deal with the complexity involved in this type of project and to deal with those interrelationships. Mr. Porreca makes the point, going back briefly to the other, that he feels the statute reads this way and that it only can be done the one way. The redeveloper attorney respectfully disagrees and says it can be done the other way, because the practical affect is exactly the same. The only issue may be the issue of transparency, but actually Paul Porreca demonstrated this evening how easy it is to compute the transparency..."

Paul Porreca: "to be only 2 years, it only took 2 years..."

Richard McCarthy: "now all you had to do was take the \$40,000,000.00 and multiply by 2% and subtract the \$175,000.00 and the difference is the grant. It's a very simple calculation. Now, having said all that... so, you can argue about transparency and whether it exists or doesn't exist... that's the simple calculation. It doesn't take 2 years to calculate it, it may take 2 years to understand the statute and I share his, I share his view of that, since we were dealing with lawyers that deal with this everyday and we fortunately as lawyers and he as a judge, we've dealt with a lot of variety of issues. We're not redevelopment attorneys, so when we look at a statute we need to spend quite a bit of time to figure out the complexity of these statutes, because it took them months and months and months just to put the statute together. But, you got to talk to the people that either participated in that process, which Ed McManimon by the way and Bob Goldsmith was another and Bob Goldsmith happened to be the one on this project who was the lead attorney, our redevelopment attorney who expressed opinions and participated in that part of the process. Now, with respect to the third part of the matter, there's a number of submissions that we've been waiting for from New Jersey Motorsports and I won't belabor the point that Paul Porreca is aware of my attitude about that and the fact that I've been vigorous in pursuing those. We received some documents today, they came in on my email this morning. I will tell you right now that they are not complete, but they do have some of those, some of the information that's required and the Chief Financial Officer happened to show up at the meeting tonight and indicated the remainder would be forthcoming. Now, as far as those submissions are concerned, there were 2 submissions due for financial statements, primarily profit loss, but we also like to see balance sheets, but the statute tells profit and loss statements. They are due within 90 days at the end of each fiscal year. The first fiscal year ended December 31, 2007, but they didn't operate, but that's neither here, nor there. They were required to make that submission and we expect to see those submissions. I doubt you'll see anything in them of any significance, because they didn't operate or they didn't make a profit. But, be that as it may, the judge is absolutely correct, it's required. It's as simple as that, it's required and they're going to submit it, it's not going to show anything meaningful. The next one, however, which was due March 30<sup>th</sup>, that was the end of December 31, 2008, that was due March 30<sup>th</sup> around the number 30<sup>th</sup> or 31<sup>st</sup>, 90 days after the end of their fiscal year. They happen to use a fiscal year that's a calendar year by coincidence, but it's their fiscal year. It was due March 30<sup>th</sup>, so it's over due by

about 7 days or 8 days and we're supposed to be getting those within a matter of 8 or 10 days, because they got the statements finished, but the auditors is required to be audited by an independent auditor and that's where it is right now with the auditor. Now, there are... that's 2 submissions dealing with financial statements. There is also a submission, a one time only submission, we had submissions that went with the application, which were estimates, but there's a one time only submission, which is required for the, actually it's Section 4 of the 9 items in the statute and that reads; actual construction cost, I'm reading from the statute by the way, actual construction cost, which the entity shall cause to be certified and verified to the municipality and the municipal governing body by an independent and qualified architect including the cost of any preparation the site undertaking at the entity's expense. These actual construction costs are hard costs and generally include design by engineers and architects and also site preparation. It doesn't necessarily include these other elements. If it did it would have been put at the end of the statute and not just in one of the 9 and that's in fact how the reading of the statute is, because I verified that with our redevelopment attorney. So, in any event, we're still looking, we have a preliminary thing that was submitted and I want additional information in connection with that, because as correctly pointed out an independent and qualified architect. In case it might be more meaningful by an independent qualified engineer, because the bulk of what was put out there were engineering costs, because there are buildings that architects would have been involved in, but the complexity and the bulk of the expenditures probably were engineering type, were overseen by engineers, rather than architects. I can't imagine an architect having the qualifications to design that track, but certainly the buildings were done by architects. In any even we expect the statute to be complied with in that regards. The other two submissions deal with ownership interest. One is due on the anniversary date of the financial agreement and it's due... well, the first one is already due and the second one arguably is due, it could be submitted a little later, but I want them both right now. There's no reason to hold them up and we received those, we received the one for the end of December 31<sup>st</sup>, they used December 31, 2008, rather than the anniversary date of the financial agreement, but you can do it either way, I looked at the statute and it says in terms of submitting before it talks of a variety of ways, but they submitted it for 2008 and I have those, that was one of the documents that came. The other one, I'm going to still insist, because I made it clear to their attorney many times... two submissions here as well, because I wanted to cover the other time period as well even though they were under construction and everything, were not operating, it doesn't mean that you can't disclose ownership. So, I agree those two submissions have to be done, I have one of those, but I need the other one, it's probably going to say the same thing, but I'm not going to assume that. I want to see it in compliance with the statute. We expect compliance with the statute and I'm going to insist upon it."

Paul Porreca: "Mr. Mayor I'm not going to reply. I just want to say two things. Thank you very much for the time. Thank you very much Mr. McCarthy for the explanation. I did not take into account many of the things that he suggested I did in doing my calculations. I happen to read at least as good as he does and I took into account the appropriate things that need to be calculated. I disagree with the interpretation in many

respects and with some of the factual statements. But, this is not the forum, the time to take up with your time and all. Richard and I have a great relationship, he's very forthcoming. We actually enjoy the debate and we'll carry on in private and maybe we can come to agreement on even more items than we already have. Thank you very much for your patience and everybody else's patience."

Katherine Stachejko: "I don't know what the judge did, but I think he raised a lot of blood pressure, because of the color of your skin changed..."

Commissioner Shannon: "not mine."

Commissioner Parent: "not mine, I'm naturally this way..."

Katherine Stachejko: "I'm not a psychologist..."

Mayor Quinn: "we need you to state your name and address first of all, before you talk about our skin color..."

Katherine Stachejko: "My name is Katherine Stachejko, I have been paying taxes, I have to start with this since 1955. My issue is not complicated, it's very simple. I live a mile away from the track, the car, the sports car track, whatever it is. What has happened, is this, for many years I had no air conditioner in my house, I had a little one wherever it was necessary for me and it was doing fine. Then the racetrack came in and I read some things about it, how beneficial it is for us. I cannot sleep or fall asleep at the hours that I usually am during the day. I hear this buzzzz, buzzzz, constantly, starting early in the morning, earlier than I think anticipated. But, the amazing part is this, I went to central air conditioning and the minute I had it installed, legally with the permits and it didn't take me very long to get a bill from the municipal building that the assessment on my house went up due to the air conditioning. The reason I put in my air conditions, because I cannot stand the noise that I hear every single day, unless it's raining, I mean these are days that they don't have it, but come summertime believe me it's there. Amazing is this, it's an improvement to my property, the air conditioning, but if I'm at the age where maybe I won't be able to sell it and my family will and if they come to look at the house when the track is in full swing, I don't know whether they would give me what even I requested for and not at this moment of the market. So, what I'm asking you is this, the track is not finished and there is going to be other added cars, perhaps more powerful than what we have and I don't know what the 15 year abatement is or whatever. This was to me was like Wall Street over here. I couldn't understand it and I wonder if most of the public doesn't understand what's going on in the country. I can't even understand Millville, you know. So, we'll leave it at that. Will you please do something about it, that I know that you cannot change anymore what we have, but certainly you can see that... you can do something that we don't get it anymore. I don't think that I'm just speaking for myself and this is my request to you. I'm going to throw in something that is not related and I know it's not your problem, but I've been watching each one, whatever your responsibility is through the municipality of Millville. I have this house that has been standing there, probably when most of you were not even born and neither was I for that matter. But, anyway there was this little porch 4 x 8 in depth and then somebody bought the house

and reconstructed and this porch always stood there, you know, it was never moved anyway and it was right there. Then another person bought the house and then finally my son bought the house and now it's mine. The porch is still there. The porch is 4 x 8 and has two doors that you go in, it has a screen and you go out. Suddenly I received a letter that the addition to my house, which has been there for at least 60 years that I know of, has been improved by \$700.00 and therefore I am to pay taxes of \$22.00 every year. Well, it's like this, it's either retroactive that I somehow know the houses were assessed. Nobody seen this? In fact, when I went upstairs and spoke to Miss Lillian today and she has a beautiful picture of my house and it was taken in the fall or winter, because none of the bushes have leaves. She couldn't even find the porch behind those bushes and she says where is it, and you know what, in order for me to appeal this, which states if you don't like what you see, appeal it. A couple of years I appealed for something and it cost me \$75.00 and I know already that the Freeholders are going to do the same thing as they did a couple of years to me for whatever I appealed for. And then what? I have to pay \$75.00 for this 2 x 4, so-to-speak, little porch. I cannot put a chair and I have one of them big umbrellas for which I was very happy, but when I opened it, it went in the screen. Whoever is responsible here, one of you, I want you to look into that. Because, I was late, I was late by 7 days with the appeal, I was not at home, I was away. Perhaps it's a very bad excuse, but never the less I'm going to use that excuse, but I also ask you to look into it. Thank you."

Commissioner Derella: "if you would make sure that, Katherine, if you would make sure that either the City Clerk or myself get the name, the exact address so we could look into this correctly, at the end of the meeting."

Bob Tesoroni: "Good evening Mr. Mayor and Commissioners, Bob Tesoroni, Howard Street..."

End of Tape 2

Tape 3 begins as follows:

Bob Tesoroni: "...received from Michael Russo, Director of New Jersey, Director of New Jersey Division of Local Aid and Economic Development regarding the Wayfinding Signage Program. This program goes back quite a few years. I researched a little bit, June 5<sup>th</sup> of 2007 you passed a resolution authorizing \$89,800.00 for a planning and design services. Three weeks later on June 26, 2007 you passed a resolution authorizing \$450,000.00 for the signage program in addition to the \$90,000.00, which brought it to \$540,000.00 and then it went on and now just about a year later, June 17<sup>th</sup> of 2008 you passed a resolution authorizing \$473,760.00 for the signage program, which is an increase of another 33 almost \$34,000.00. That was a year ago and I don't have any idea where we're at with this signage program now. But, if I understood you correctly, what we're going to do is reapply for aide for this program. Is that what I understood tonight? Because, it's not in here, but I think Mr. Thompson read that we're going to reapply for aid..."

Mr. Thompson: "correct."

Bob Tesoroni: "okay. So, we could be looking at another year. Where do we anticipate we're going to be with this

signage program in another year? Are we going to be at a million dollars? I don't know what the total cost is to begin with, because it seems to keep going up and I don't know if that is a total cost or if we're doing it in phases, because there's a Phase I and Phase II. Does anybody know what the total cost is going to be?"

Commissioner Derella: "You know, it's very difficult, you know, when you come up with the facts and figures of one particular item to be able to go through that. I'll be able to research it and give you the exact cost. It was a project that was done in phases. We do know that and we know how much money was appropriated, so again I would have to, with not having those figures, I would have to go back and go..."

Bob Tesoroni: "okay. That's fair..."

Commissioner Vanaman: "if I may, I would venture an opinion that if you were looking at two different resolutions, if one said 450 and one 480, to the best of my knowledge they're not cumulative. One may have been superseding the other one. So, I don't think you're looking at a million dollars worth of signs..."

Bob Tesoroni: "no, no. I'm of the opinion that they're probably one superseding the other..."

Commissioner Vanaman: "there you go..."

Bob Tesoroni: "but, it went up by..."

Commissioner Vanaman: "that's not what you just said though..."

Bob Tesoroni: "thirty-some thousand.. no, I said where are we going to be at..."

Commissioner Vanaman: "right..."

Bob Tesoroni: "another year from now when we're applying for aid again and what's going to be the cost of this project at that time, because I doubt very much that it's going to go down. For some reason I don't believe.. the only thing that really goes down is your salary, I think everything else goes up. But, that's fair Mr. Derella, I don't have a problem with you looking into that, maybe we can have some kind of cost figure on what we're looking at with the signage program. But, I guess it's on hold until such time as we get approval for the funding? I would hope."

Commissioner Derella: "I will check to see if there is still funding available from the previous grant, which a part of that was awarded tonight to actually put up and go through some signage."

Bob Tesoroni: "the other issue I have has to do with the City debt. I have a report here from the City and it runs actually from Fiscal Year 2000 to 2009, February 17, 2009. As of February 17<sup>th</sup> the current debt, total debt is \$54,540,395.17. I'm sure that changes every day, I'm hoping we pay down some of that debt. My question is and I know you won't have this there with you tonight, but is it possible maybe at the next Commission Meeting that you could say what we appropriated, you

won't have for 2009, but for 2008 what we paid in interest on that debt? I have one other question on this report, Mr. Derella, in 2007 it showed the Revenue Allocation had a debt of \$8,130,000.00. I believe that's what we borrowed. It remained the same for 2008 and it shows the same for 2009. We paid nothing down on that \$8,000,000.00?"

Commissioner Derella: "I'd have to go back and go through the statistics of all the bonds that are there..."

Bob Tesoroni: "okay, that's fair..."

Commissioner Derella: "it has to draw down the interest payments are made and you would be able to get those totals..."

Bob Tesoroni: "and I know we've been drawing down on it, so it seems to me that figure should have changed in 3 years, but... okay, thank you."

Commissioner Shannon: "Mr. Tesoroni, can I respond to the one question you had about the Wayfinding. I needed to go to some notes. The Phase I of the Wayfinding Program we received the bids, okay, that was where we had the low bid and we disqualified that bidder, because he didn't meet the qualifications..."

Bob Tesoroni: "this evening..."

Commissioner Shannon: "this evening, okay. So, Phase I, Phase I was awarded tonight with the money coming completely from the \$300,000.00 grant we received from the New Jersey Department of Transportation, The Local Aide for Centers of Place FY08. Okay, so that's Phase I. It was a \$300,000.00 grant that we're paying the Wayfinding Phase I of approximately \$215,881.00, okay, so it was grant money that we received from the New Jersey Department of Transportation, okay, is what that was. Now, Phase II you heard tonight that we didn't receive the funding for Phase II, so we won't proceed with the Wayfinding Signage Phase II, until we submit the next application to New Jersey Department of Transportation..."

Bob Tesoroni: "right, I understand that. But, what it doesn't say is what the cost of Phase II is so that you can add that to Phase I and we'll know what the project is going to cost or have some idea. I don't think we have any idea, as we stand here, how much this project is going to cost us. The bottom line is no matter where the money comes from, it's taxpayers money, which I think we should have..."

Commissioner Shannon: "okay, well, here's the thing, wouldn't you rather have that back..."

Mayor Quinn: "to Millville or..."

Commissioner Shannon: "come back to Millville or no..."

Bob Tesoroni: "well, no. I understand what you're saying, if it's there we got to spend it and that's exactly my point. We have, government has to get away from that philosophy that if we don't spend it, we lose it or somebody is going to spend it. We've all got to stop spending when we don't have it to spend..."

Commissioner Shannon: "well, that's above us though, Bob..."

Bob Tesoroni: "well, no, I think it has to start at the local level. I truly believe..."

Commissioner Shannon: "well, no, I disagree with you, I disagree with you, because if the state has funding out there that they're going to provide for us to do projects in the City of Millville, I'm in favor of going out and getting that money, securing that money, so we don't spend taxpayer money directly. That money is available through the state and we're going to apply for those grants as long as I'm sitting here, so we don't spend the true Millville taxpayer's money that is here on that kind of project..."

Bob Tesoroni: "but, sometimes we have to look at the need verses the cost..."

Commissioner Parent: "Bob, let me ask you something. In other words what you're mentioning, what you're stating, is that we should not apply for any state or federal tax dollars, is that what you're saying?"

Bob Tesoroni: "oh, I don't think I said that all. We can go back and look at the minutes..."

Commissioner Parent: "no, I mean, what did you say Bob? We should not..."

Bob Tesoroni: "We should not spend money on things that we don't need. We have to... there's needs verses cost..."

Commissioner Shannon: "another thing Bob, another thing is to remember and I don't mean to interrupt. I apologize for that, but what you got to understand is a lot of these grants are earmarked and they dictate to you what you can do with that. If we can apply for that grant money and apply it to lower the tax rate, we would love to do that. But, you don't get the money with the option to do whatever you want with it. They earmark certain projects that fit that criteria and we look, the Engineering Department does a lot of work to see what projects would fit in the City of Millville. They are the applications that we submit. Okay, for..."

Bob Tesoroni: "but, my point is we got to look at need verses cost no matter where the money is coming from. Thank you."

There being no further comments Mayor Quinn declared the public hearing portion of the meeting closed and asked for comments from Commissioners.

Commissioner Derella: "I just have one, Mr. Mayor, I do appreciate comments from the podium out there from concerned citizens and from members of Millville First. But, it is difficult for us to sit here and go back 3, 4, 5 or 7 years to try to make sure we say things correctly. I'm going to paraphrase with the comment where we were asked if there were any 15 year abatements in the near future or if we are considering any. I believe my answer was, no I don't see anything in the future, but I'll check the minutes to make sure I'm correct with my words. Because, again, I thought that was what my response was. In regards to Motorsports, it was a very difficult transition going through that whole negotiations, it

was about 7 years from start to finish and we do have to rely on the professionals, Mr. McCarthy, Mr. Ayres, Land Counsel and specialties in those things, to go through the process. So, that makes it a challenge. As far as the jobs created at Motorsports, there is a large number associated with that, there's no question. Anywhere from... depending on what report you read, anywhere from 1,500 jobs to up to 6,000 in the region. But, that was at the completion of the project, which is estimated to take 5 to 7 years. The Motorsports Park has been open less than 1 year and to expect them to have 1,500 jobs in less than 1 year is a very, very big challenge. I don't think anybody would be able to come through with that. The other question in regards to Target, yeah, Target is a big business. No question. We've read into their record that they would not be here and anchor that particular project in Union Lake Crossing, if the 15 year abatement was not available. We did learn through that process and I know that from the company I work for, each individual store is set up on its own budget. So, if the store in Hamilton Township is exceeding their budget and the profitability in the Millville store in the first year or two years, because of all the cost laid out prior to that is not making it they don't send money over to that, that's why you see certain stores close in certain areas, they're under, again, an individual budget and that's what was presented as we went through those negotiations as well. So, again, most businesses, no matter how big or how small, it does take time for them to start to become profitable. With that said, again, the RAD was a very big component of that. Yes, Mr. McManimon did stand there, no question and said there was another way of getting that done and that would be to just straight out bond that money and go through the project and when the bond was over, then the money is over and the project ends. Similar to what happened in the City of Philadelphia under Mayor Street up there, he wanted to do some improvements in the neighborhoods and he bonded 'x' number of dollars and they got about not quite halfway through what they tried to accomplish and the money was out and the projects were not done. The RAD and I'll rely on Mr. Ayres, if it's not clear what I'm saying, is the RAD, which is known as a TIF in other states, allows for a potentially ongoing source to be able to accomplish everything that you're trying to do and so far I think it's been very successful. I do thank Mr. Porreca who said that what we're trying to do is correct, he has his opinion in regards to another way. Yeah, there probably may have been another way, but we didn't think we could accomplish everything that we wanted to do with that particular venue. As far as 15 year abatements, we do have 3 currently in the City of Millville, it is a viable option every time there's a project presented. Again, I don't know in the future, whether it's us or someone else sitting in these seats, it's an option that I think needs to be there. If I mislead anybody with my comment, I apologize, but I'm going to check those minutes. We have been able to stabilize the tax rate to the best of our ability in the municipality itself. I can't control the county. We already demonstrated that the 5 year abatements is less than 1% of what they total against the 5 billion dollar ratable base that the county has. That's less than 1 cent on the county tax rate. You throw in the 15 year abatements from the City of Millville and add that in there, it might be 2% of the total 5.4 billion, which is the correct number, of ratable base. So, the impact on the tax rate has to be minimal just based on those numbers compared. Again, the philosophy is different and I respect that, but as far as I know is a taxpayer in the City of Millville in 2007 on his municipal rate, compare 2007 what they

paid in their municipal rate verses 2008 they paid less in 2008 on their municipal rate than they did in 2007. My property in 2007 to 2008 I paid \$107.90 less on the municipal side. Commissioner Vanaman paid \$77.57 less. So, we're doing our best even bringing these things in. Again, remember if abatements, 15 or 5, the percentages are exempt and that cost is spread out to the rest of the county, because when they're fully taxed the rest of the smaller municipalities all share in that ratable base. So, again, philosophy, no question, there's a difference here and I respect it and we go forward from there. But, there are some pros and cons in regards to the value of what it brings to the City of Millville."

Mayor Quinn: "If I might add too, that when we sat in with negotiations with Target, you know, we really were told they would not come without the 15 year PILOT, tax abatement. And you sit there and you think, well, you know what, we had a body shop out of business, a gas station out of business, a dollar store, a pizza hut and a veterinary hospital. That's what was there and I don't know what the taxes were that came in from that, but currently today, we have an \$80,000,000.00 shopping center sitting there, because we felt we gave Target what they needed to get them. People said to me recently, when are we going to get a Borders or a Barnes and Noble and I said you know what, we can't. We cannot get one to come to this area, just like Target was marginal to come to our area, because of the demographics, because of the income level, etc. Even though Target is a discount store, they're not Walmart, they had to take a look at this area and that was the final thing that gave us the impetus to get them, was that we were able to give them that 15 year tax abatement. You say, well okay you shouldn't have done it. Well, if we hadn't done it, visualize in your mind what was there before and that is what would still be there today. You would not have had an \$80,000,000.00 shopping center with approximately 1,000 jobs, many are only part-time, I agree. But, that's how many people are working there currently. So, it's hard when you sit in this position and you're trying to negotiate, just even negotiating with the Motorsports Park, that wasn't an easy situation either. Because, what it brings, what the draw will be down the road and the Villas, the Villas are going to be phenomenal, because they're 100% tax ratable immediately once they get started. Little did we know that the economy was going to go into the tank as it has now. I think there's only a dozen Villas that are going to actually be constructed at this point and time. But, they're positive things that are going to happen for the City, believe in what we tell you, they are going to be positive and if you can't think of anything else then look at the beautiful Union Lake Crossing Shopping Center and think of the \$80,000,000.00 ratable that's there and if it was because, and we feel it was, that we gave the 15 year abatement PILOT to Target that we have that shopping center, then we did the right thing. But, you know, this is the way we feel. This is what we see there. We think at that time it was something we had to do to get that to come to our area and we're happy they're there. Not only that, they're generating millions of dollars in UEZ money for our community when many of these things we've talked about tonight where UEZ monies were used in order to get the project accomplished or given part of the finishing of the bridge and things like this that had to go through. So, we have a lot of benefits from that shopping center with the UEZ as well."

Commissioner Derella: "and Mr. Mayor, just again, the taxes of those 7 businesses that are up there, if everything stayed equal over the 15 years, they would have paid about 1.5 million dollars as compared to just Target's abatement, which is going to total somewhere around 3 million over that same 15 year period. So, there is a give and take there, not to mention the other businesses that have 5 year that will come on with the 20, 40, 60 and 80 and then hit with 100%. There is a give and take and the philosophy will continue to be different and that's why we have a democratic process."

Mayor Quinn: "Are there any other comments?"

Commissioner Parent: "Just a quick one Mr. Mayor. You know, tonight we saw government probably working at its best and that's when you get two lawyers to the meeting ?????? ?????? opinions. One happened to be a judge and Mr. McCarthy happens to be a lawyer. I know Mr. McCarthy went to Cumberland County Courthouse before Judge Porreca and you could hear Mr. McCarthy all the way down the hall and again tonight you can hear Mr. McCarthy's voice, because Richard is an outstanding legal person. I was very fortunate to have someone like Richard handling the legal matters for the City, he is without question, one of the best in the state, if not the best in the state, when it comes to municipal government. Now, Rich has advised this administration like no one else could possibly do it. I have to say that I would be as commissioners or as any public official, when it comes to legal opinion, legal advice, you have to go get the best. We feel we did and will continue doing that. We will continue having our different view about the RAD, only history will determine that and I have said it all along, when it came time to do what we did with the downtown district, people were very critical with our administration, because of the infrastructures that we did on High Street, the infrastructure we did along the riverfront. Look at it today, it has taken a long time to get to where it is and now we have a future... Tim, just showed me a picture from 1986, I remember exactly where it was in 1986 and I also know what it is today. Our citizens are all benefiting, because of that. It takes time. It takes time. People do not want our tax dollars to lay in Trenton and lay in Washington and not go after those tax dollars, then no elected official belongs to sit up here. None. Because, that is the responsibility of every elected official in every municipality. We know how tough it is to fight other municipalities throughout the state to go after those dollars. We will go after them and we should go after our tax dollars that goes to Trenton and goes to the Federal Government. So many times I've seen our money go to Trenton, from Trenton go to Camden, go to Newark, go to Jersey City and it upsets, because I saw what these communities were getting, Millville's tax dollars. Millville's tax dollars to beautify their City. So, we owe it to all of our citizens to go and get our tax dollars and bring them back. Thank you Mayor."

There being no further comments the meeting was adjourned subject to the call of the chair, by the following vote. Yeas: Shannon, Parent, Derella, Vanaman and Quinn.

Approved: April 21, 2009

James F. Quinn  
Mayor

Joseph J. Derella

W. James Parent

James T. Shannon

David W. Vanaman  
Commissioners

Attest:

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City Clerk/Administrator

## BILL LIST CITY OF MILLVILLE MEETING APRIL 7, 2009

ACTION SIGNS & AWARDS	74.00
ADAMS, REHMANN & HEGGAN ASSOC.	2,700.00
ALL INDUSTRIAL SAFETY PROD INC	439.25
AMERICAN ALUMINUM ACCESS., INC	3,213.00
AMERICAN WATER WORKS ASSN. INC	588.50
PAUL G. KANIGOWSKI	833.74
AMTRAC RAILROAD CONTRACTORS	556.50
ARCHONIX SYSTEMS, LLC	25,250.00
ATLANTIC CITY ELECTRIC	19,294.93
ATL. CO. UTILITIES AUTHORITY	14,611.00
ATLANTIC CITY ELECTRIC	62,640.08
ATLANTIC TIME SYSTEMS, INC.	594.00
AUTOZONE NORTHEAST, INC.	231.12
BANC OF AMERICA LEASING, INC.	384.14
GERALD A. BARRETT, INC.	2,119.77
BENTLEY SYSTEMS, INC.	1,080.00
BERNAL MECHANICAL CONTR. INC.	542.00
BETHEL DEVELOPMENT CORPORATION	1,875.00
BIRCH'S COMMUNICATIONS	979.25
DICK BLICK COMPANY	361.10
BOGARTS IN INK	267.87
BOND AND COUPON	75,230.00
DORIS BOTTS	500.00
BREATHE SAFE FIRE/SAFETY EQUIP	217.50
BSN SPORTS, INC.	114.64
THE CAD ZONE, INC.	605.00
MARY CAFFREY	500.00
CANON BUSINESS SOLUTIONS	1,088.69
CATERINA TREE SERVICE LLC	4,000.00
HENRY CIFALOGGIO, INC.	80.00
CINTAS FIRST AID & SAFETY CORP	392.00
CITY OF MILLVILLE	12.00
CITY OF MILLVILLE CAPITAL	126,872.24
CITY OF MILLVILLE CURRENT	31,376.07
CITY OF MILLVILLE	5,525.18
CITY MILLVILLE PAYROLL DED ACC	367,132.14
CITY OF MILLVILLE RAD CAP	45,610.34

CITY OF MILLVILLE	300.00
CITY OF MILLVILLE SEWER CAP	21,396.98
CITY OF MILLVILLE TRUST ACCT	228,421.54
CITY OF MILLVILLE UTILITY	590.00
CITY OF MILLVILLE WATER OPER.	942.36
CITY OF MILLVILLE WATER CAP	59,958.23
CLOUD GEHSHAN ASSOCIATES, INC.	3,180.00
COMCAST, INC.	585.74
COOPER ELECTRIC, INC.	7.98
COUNTY OF CUMBERLAND	375.00
CUMBERLAND COUNTY COLLEGE	1,000.00
CCIA	460.67
CUMBERLAND FIRE PROTECTION	268.00
CUMBERLAND REMINDER	234.00
CUMBERLAND VALVE INC	65.58
CUMBERLAND TREE SERVICE, LLC	150.00
CUSTOM GRAPHICS, INC.	114.00
LINDA A. DEDRICK	200.00
DEERFIELD ELECTRIC	58,925.74
DELTRONICS CORP	2,977.75
DRAEGER SAFETY DIAGNOSTICS INC	142.00
EDWARD DUFFY, ESQ.	1,170.00
EARTH TECH CONTRACTING, INC.	8,373.00
ELMER DOOR COMPANY, INC.	382.60
JOSEPH C. ELWELL, SR.	250.00
ENFORSYS FIRE SYSTEMS, INC.	250.00
EMTEC, INC.	2,762.31
E. SAMBOL CORP.	11,776.25
SHIRLEY EVES CENTER	2,375.00
FEDEX	118.54
FLEET CAPITAL LEASING, INC.	318.00
FORT DEARBORN LIFE INSURANCE	1,937.70
FRA TECHNOLOGIES, INC.	500.00
FREE SPIRIT PUBLISHING, INC.	94.60
GAGE-IT, INC.	99.95
GALLO'S GMC TRUCK SALES, INC.	1,109.23
GARDEN STATE HIGHWAY PROD. INC	180.00
GENERAL FENCE & CONCRETE LLC	2,900.00
GENTILINI FORD, INC.	103.77
GLOBAL TRACKING COMMUNICATIONS	799.80
GLOUCESTER CO. POLICE ACADEMY	200.00
GRANTURK EQUIPMENT CO., INC.	179.66
SEAN GUY	23.51
GREENBAUM, ROWE, SMITH AND	2,394.50
HACH COMPANY, INC.	347.30
DANIEL HOFFMAN, ESQ.	200.00
HOLLY CITY TIRE, LLC	1,301.60
HOLLY SOCIETY OF AMERICA, INC.	120.00
GREG L. ERBER, SR.	2,142.80
INFORMANT FUND	2844.58
KENNEDY CONCRETE, INC.	317.78
NICHOLAS T. LACOVARA, ESQ.	520.00
LANDSMAN UNIFORMS INC.	7,236.50
LANGUAGE LINE SERVICES, INC.	40.80
LAWMEN SUPPLY CO, INC.	113.40
LIBERTY HOME IMPROVEMENT	85.00
LOWE'S CO., INC.	935.00
MAACM	80.00
MCI COMM SERVICE	18.23
RODNEY R. MACAVOY	9,210.00
MAIN STREET SUPERMARKET	57.04
MAJOR PETROLEUM, INC.	345.45
MARSHALL & SWIFT, INC.	462.20
RICHARD C MCCARTHY ESQ	3,833.33
METCALF & EDDY, INC.	84,096.39
MIG ENVIRONMENTAL, LLC	735.00
MILLVILLE ARMY AIRFIELD MUSEUM	10,435.00

MILLVILLE AUTOMOTIVE, INC.	450.42
MILLVILLE BOARD OF EDUCATION	11,931.81
MILLVILLE CHAMBER OF COMMERCE	126.00
MILLVILLE DEVELOPMENT CORP	22,165.67
MILLVILLE ELITE ENTERPRISE LLC	409.50
MILLVILLE NATL CAL RIPKEN	300.00
MILLVILLE RESCUE SQUAD	4,833.33
MOD-CON, INC.	12,100.00
MONMOUTH & OCEAN TCTA	60.00
MUNICIPAL CLERKS ASSN OF NJ	600.00
NATIONAL DEVELOPMENT COUNCIL	6,000.00
THE BANK OF NEW YORK MELLON	404,889.74
NJAWWA	1,040.00
VERIZON	12,649.44
TREASURER, STATE OF NJ	1,015.00
NJ STATE DEPT OF HEALTH	954.00
NJLM EDUCATIONAL FOUNDATION	105.00
NJ STATE LEAGUE MUNICIPALITIES	35.00
NJ WATER ASSOCIATION	425.00
NORTHWESTERN UNIVERSITY	450.00
OFFICE BASICS, INC.	280.91
OTIS ELEVATOR CO. CORP.	1,862.67
PACE & ASSOCIATES, INC.	6,218.42
PENN VALLEY PUMPS CO., INC.	2,363.00
PERFORMANCE AUTO GLASS	200.00
PERFORMANCE PLUS, LHA, LLC	2,779.10
PHOENIX BUSINESS FORMS, INC.	575.00
PITNEY BOWES INC	207.00
POLYDYNE, INC.	6,674.80
PREMIER CHEMICALS, LLC	11,104.99
PREVENTION SCIENCE PRESS, INC.	194.40
PROF GOVT EDUCATORS, INC.	90.00
QUALITY CONTROL LABS, INC.	1,098.50
QUALITY LINCOLN MERCURY, INC.	109.95
R & R RADAR, INC.	1,761.13
RACCOON VALLEY ANIMAL HOSPITAL	46.76
REGISTRARS ASSN OF NJ	100.00
RBVH	295.19
RIVERFRONT RENAISSANCE CENTER	1,600.00
BRIAN P. ROSENBERGER	40.00
BROCK D. RUSSELL, L.L.C.	3,750.00
RUTGERS, THE STATE UNIVERSITY	810.00
BLAIR SEITZ	1,340.00
SERVICE TIRE TRUCK CENTER, INC	2,567.26
SJ FARMERS EXCHANGE, INC.	1,565.50
SJ GAS COMPANY	9,027.75
SNAP-ON INDUSTRIAL, INC.	283.84
SONITROL CORP.	18.30
SOUTH JERSEY SANITATION CO INC	113,476.43
BRIAN R. STARCHER	680.41
STATE TOXICOLOGY LABORATORY	35.00
JOSEPH SUTHERLAND	1,200.00
SYNERTECH INC, ENVIRONMENTAL	1,037.50
SYSTEC OF VINELAND, INC.	4,210.00
TAX COLLECTOR & TREAS. ASSN NJ	360.00
TENNANT SALES & SERVICE CO	215.00
TOMARK SPORTS, INC.	478.51
TREASURER, STATE OF NJ	2,958.00
TREASURER, STATE OF NJ	8,117.02
TRIAD ASSOCIATES, INC.	1,080.00
TRI-CITY PAPER & JAN. SUPPLIES	1,500.50
TRICO, INC.	466.17
HELEN TROIA-SHEAR	1,000.00
TROUT PRINTING & PUBLISHING CO	1,875.00
TURF EQUIPMENT & SUPPLY CO LLC	54.28
TURNER/DEAN REAL ESTATE	2,475.00
UNITED ELECTRIC SUPPLY, INC.	1,515.98

UNITED LAWN MAINTENANCE, INC.	1,080.00
URBAN ENTERPRISE ZONE	3,402.08
USA BLUE BOOK, INC.	3,155.18
USPS	3,935.00
VERIZON CABS	193.20
VERIZON WIRELESS	1,853.65
W. B. MASON COMPANY, INC.	2,569.06
WATER WORKS SUPPLY CO., INC.	6,583.47
RACHEL ALVAREZ	2,500.00
JEFFREY MAROLDA	2,125.00
RENEE PAGLIUGH	3,750.00
JACQUELINE SANDRO	1,000.00
ELLA MAE ELLIOTT	825.00
HILLCREST MANOR AT MILLVILLE	862.50
RENAISSANCE MEN, LLC	3,000.00
AMORITA RODRIGUEZ	1,500.00
ANDRE SAM	500.00
TARKLIN PARK APARTMENTS	2,164.00
TERNIKA TAYLOR	2,336.00
FIRST AMERICAN REAL ESTATE	8,678.72
TOTAL VOUCHERS FOR 04/07/09	2,074,214.48
PUBLIC EMPLOYEE RETIREMENT    WR	639,818.00
ST OF NJ PWT DIV PUB WTR TAX    WR	2,447.80
TOTAL WIRES FOR 04/07/09	642,265.80
CITY OF MILLVILLE SALARY ACCOUNTS	265,533.07
CITY OF MILLVILLE SALARY ACCOUNTS	275,207.23
CITY OF MILLVILLE SALARY ACCOUNTS	304,086.54
TOTAL SALARY FOR 04/07/09	844,826.84
TOTAL VOUCHERS & SALARY 04/07/09	3,561,307.12