



MEMO

To: NJRA Board of Directors

From: Leslie A. Anderson, Executive Director

Date: December 11, 2015

Re: **NJRA BOARD MEETING – via. Conference Call
December 16, 2015**

The New Jersey Redevelopment Authority Board will be having a Board Meeting via conference call on Wednesday, December 16, 2015 at 10:00 a.m.

The dial-in number is (609) 858-2500, Bridge 1, Pin Code 2501#.

Attached are the agenda items for your consideration. If you have any questions, please feel free to contact me at (609) 278-5171.

c: Commissioner Charles A. Richman

NEW JERSEY REDEVELOPMENT AUTHORITY

December 16, 2015
New Jersey Redevelopment Authority
150 West State Street
Trenton, New Jersey 08625
10 AM
(via Conference Call)

AGENDA

- **NOTICE OF PUBLIC MEETING**
- **ROLL CALL**
- **MINUTES – OCTOBER 29, 2015**
- **NEW BUSINESS**

Resolution # 15-17 Approval of the 2016 Administrative Budget

Resolution # 15-18 Approval of Certain Matters Regarding the Borough of
Sussex, Sussex County

Resolution # 15-19 Approval of 2016 Meeting Schedule

- **OTHER BUSINESS**
- **PUBLIC COMMENT**
- **ADJOURNMENT**

NEW JERSEY REDEVELOPMENT AUTHORITY

Special Meeting

150 West State Street
Trenton, New Jersey 08625
October 29, 2015
Via Conference Call

MINUTES

ATTENDANCE

- **Ex-Officio Members**

Sean Thompson, representing Charles A. Richman, Commissioner, Department of Community Affairs
Susan Fischer, representing John Jay Hoffman, Acting Attorney General
Matthew Spadaccini, representing Robert A. Romano, Acting State Treasurer
Anthony Findley, representing Bob Martin, Commissioner, Department of Environmental Protection
Luis Tamayo, representing Elizabeth Connolly, Acting Commissioner, Human Services
James Lewis, representing Jamie Fox, Commissioner, Department of Transportation
John Raue, representing Harold J. Wirths, Commissioner, Department of Labor
Paul Ceppi, NJ Economic Development Authority

- **Public Members**

Cosmo Iacavazzi, Neutomax-Redcordys
Harold Nafash, Nafco Associates
B. Harold Smick, Jr., Smick Lumber
Barry Vankat

- **Staff**

Leslie A. Anderson, Executive Director
Darryl Godfrey, Director, Business Development
Enid L. Taylor, Executive Assistant

- **Also Attending**

Anthony P. Marshall, Harris Beach, PLLC
Gabriel Chacon, Deputy Attorney General
Amy Herbold, Governor's Authorities Unit

NOTICE OF PUBLIC MEETING

The meeting was called to order at 10:06 AM.

In accordance with the Open Public Meetings Act, Enid L. Taylor announced that notice of the meeting had been sent to the Trenton Times, Star Ledger, and Asbury Park Press at least 48 hours prior to the meeting and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House.

APPROVAL OF MINUTES

September 30, 2015

Motion to Approve: Harold Nafash Second: B. Harold Smick, Jr.
Yeas: 12 Nays: 0 Abstentions: 0

NEW BUSINESS

PROJECT FINANCING

RESOLUTION #15-15

Approval of a Resolution: Approval of Resolution Concerning Certain Matters
Regarding Camden Redevelopment Agency (CRA)

Motion to Approve: Barry Vankat Second: B. Harold Smick, Jr.
Yeas: 12 Nays: 0 Abstentions: 0

RESOLUTION #15-16

Approval of a Resolution: Approval of Resolution Authorizing Proposed Financial
Assistance to Merit Preparatory Charter School, *City of Newark (NMTC)*

Motion to Approve: Cosmo Iacavazzi Second: Anthony Findley
Yeas: 12 Nays: 0 Abstentions: 0

OTHER BUSINESS

None

PUBLIC COMMENT

None

ADJOURNMENT

Motion to adjourn: B. Harold Smick, Jr. Second: Harold Nafash

The meeting was adjourned at 10:31 am.

Certification:

The foregoing and attachments represent a true and complete summary of the actions taken by the New Jersey Redevelopment Authority at its October 29, 2015 meeting.

A handwritten signature in cursive script, appearing to read "Leslie A. Anderson", followed by a long horizontal line.

Leslie A. Anderson, Secretary
New Jersey Redevelopment Authority

ACTION REQUESTED

Approval of the 2016 Administrative Budget for the Authority.

KEY POINTS

- Revenues are projected to improve due the inclusion of fee income from New Market Tax Credits, CDBG-DR Recovery Reimbursements and Recovery for Delinquent Loans
- Salaries projections reflect the approved 2.11% COLA approved by the Governor's Office
- General and Administrative expenses are consistent with 2015 numbers with the exception of rent which reflects a reduction due to renegotiation of terms.

ATTACHMENTS

Resolution #: 15-17
2016 Administrative Budget

**APPROVAL OF THE
2016 ADMINISTRATIVE BUDGET
OF THE
NEW JERSEY REDEVELOPMENT AUTHORITY**

BE IT RESOLVED,

That the members of the New Jersey Redevelopment Authority hereby approve the 2016 Administrative Budget.

A copy of this resolution shall be immediately transmitted to the Governor. This resolution shall take effect immediately, but no action herein shall have force and effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after such copy of this resolution has been delivered to the Governor for his approval, unless during such ten-day period the Governor shall approve the same, in which case, such action shall become effective upon such approval, as provided in the New Jersey Urban Redevelopment Act.

The foregoing is a true copy of a Resolution adopted by the New Jersey Redevelopment Authority at a meeting held on December 16, 2015.

VOTE

| YES | NO | ABSTAINED |
|-----|----|-----------|
| | | |

Leslie A. Anderson, Secretary
New Jersey Redevelopment Authority

NJRA
2016 Administrative Budget

REVENUES

| | BUDGET <u>CY2015</u> | Year To Date ACTUAL 10/15 <u>CY2015</u> | BUDGET <u>CY2016</u> |
|--------------------------------|---------------------------------|--|---------------------------------|
| Interest Income - Loans | 1,797,813 | 562,031 | 450,000 |
| Fee Income | 441,000 | 416,889 | 575,000 |
| Fee Income - WINN | 279,898 | 247,540 | 290,000 |
| Recoveries on Delinquent Loans | 0 | 0 | 525,000 |
| DCA Reimbursements | 0 | 71,353 | 200,000 |
| Fee Income - Other/NMTC | <u>0</u> | <u>8,383</u> | <u>400,000</u> |
| TOTAL REVENUE | 2,518,711 | 1,306,196 | 2,440,000 |

OPERATING EXPENSES

Personnel

| | | | |
|--------------------------|------------------|------------------|------------------|
| Salaries and Fringe | <u>1,264,277</u> | <u>1,120,060</u> | <u>1,290,953</u> |
| Total Personnel Expenses | 1,264,277 | 1,120,060 | 1,290,953 |

General and Administrative

Personnel Usage

| | | | |
|-------------------------------------|---------------|---------------|---------------|
| Travel and Meetings | 23,000 | 14,283 | 23,000 |
| Seminars & Professional Development | 15,000 | 46,543 | 50,000 |
| Automobile Maintenance & Insurance | <u>7,500</u> | <u>2,400</u> | <u>5,000</u> |
| <i>Personnel Usage Sub-Total</i> | <i>45,500</i> | <i>63,226</i> | <i>78,000</i> |

Contract Services

| | | | |
|------------------------------------|----------------|----------------|----------------|
| Audit Fee | 19,000 | 29,000 | 30,000 |
| Attorney's Fees (AG's Office) | 45,000 | 32,902 | 45,000 |
| Lending Services Program Costs | 5,000 | 0 | 5,000 |
| Accounting & MIS Fees | 32,000 | 30,350 | 32,000 |
| Consulting Fees | <u>30,000</u> | <u>70,251</u> | <u>38,000</u> |
| <i>Contract Services Sub-Total</i> | <i>131,000</i> | <i>162,503</i> | <i>150,000</i> |

Communications

| | | | |
|-----------|--------|--------|--------|
| Marketing | 43,000 | 24,218 | 45,000 |
|-----------|--------|--------|--------|

| | | | |
|---|------------------|------------------|------------------|
| Telephone | 25,000 | 13,112 | 20,000 |
| Copy | 2,500 | 0 | 0 |
| Postage & Delivery | <u>2,500</u> | <u>2,632</u> | <u>3,000</u> |
| <i>Communications Sub-Total</i> | <i>73,000</i> | <i>39,962</i> | <i>68,000</i> |
| <u><i>Information Systems</i></u> | | | |
| Hardware/System Maintenace | 25,000 | 12,723 | 25,000 |
| System Supplies | 0 | 0 | 0 |
| System Software | 6,500 | 4,312 | 6,500 |
| Services/Payroll Processing | 7,000 | 5,735 | 7,000 |
| Hardware/LAN costs | <u>0</u> | <u>0</u> | <u>5,000</u> |
| <i>Information Systems Sub-Total</i> | <i>38,500</i> | <i>22,770</i> | <i>43,500</i> |
| <u><i>Office</i></u> | | | |
| Rent | 250,000 | 148,322 | 175,000 |
| Supplies | 12,000 | 15,154 | 12,000 |
| Furniture/Equipment | 6,000 | 3,993 | 5,000 |
| Parking | 0 | 2,925 | 3,000 |
| Insurance | 35,000 | 48,261 | 50,000 |
| Other Expenses | <u>5,000</u> | <u>5,475</u> | <u>5,500</u> |
| <i>Office Sub-Total</i> | <i>308,000</i> | <i>224,130</i> | <i>250,500</i> |
| Total General and Administrative Expenses | 596,000 | 512,591 | 590,000 |
| <i>Depreciation</i> | <i>20,000</i> | <i>19,776</i> | <i>30,000</i> |
| TOTAL OPERATING EXPENSES | 1,880,277 | 1,652,427 | 1,910,953 |
| NET OPERATING INCOME | 638,434 | (346,231) | 529,047 |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Interest Income - Investments | 47,213 | 27,255 | 47,213 |
| Provision for Loan (Losses)/Gains | (141,000) | (4,002,584) | (100,000) |
| Financial assistance awards - net | 0 | 0 | 0 |
| Unrealized loss on investment | 0 | | 0 |
| Other Expense | | <u>(200,048)</u> | |

| | | | |
|------------|---------|-------------|---------|
| NET INCOME | 544,647 | (4,521,608) | 476,260 |
|------------|---------|-------------|---------|

ASSUMPTIONS:

Revenues

Fee Income is base on fees charges on anticipated loan activity (see chart below). Fee income for bonds increased based on NJRA's anticipated increase in Bond activity.

Fee Income - WINN is based on 5% of the anticipated balance remaining in the fund (\$7,008,848) as 12/31/14

Operating Expenses

Salaries are consistent with actual 2015 numbers.

Fringe is based on a cost of 22% of the salary expense

General & Administrative

All other **G&A expenses** were adjusted to reflect any savings or increases created in the prior year 2014 numbers.

(e.g. Consulting services, which included services related to computer network and NMTCs services, were up in 2014). Going forward any computer network services will be assigned to line item System Maintenance, which was increased to reflect the change.

Depreciation

Depreciation expense is projected to be \$30,000 for 2015.

Depreciation expense is based on 2015 projections.

Nonoperating Revenues (Expenses)

Interest income-investment is projected to be \$47,213 for 2015. This amount is consistent with the interest received last year .

Provision for loan (Losses)/Gains is based on 1% loan loss provision based on anticipated loan activity

| Anticipated Loan Activity for 2016 | Goal - Closed Loans | 2016 Fee Target | Fees Charged |
|------------------------------------|------------------------|---------------------|--------------|
| NJUSA | \$3,000,000.00 | \$30,000.00 | 1.00% |
| RIF | \$3,000,000.00 | \$30,000.00 | 1.00% |
| PDLF | \$1,000,000.00 | \$10,000.00 | 1.00% |
| WINN | \$4,000,000.00 | \$40,000.00 | 1.00% |
| BOND | \$5,000,000.00 | \$25,000.00 | 1/2 of 1% |
| | | | |
| | | | |
| TOTALS | \$16,000,000.00 | \$135,000.00 | |

RESOLUTION #: 15-18
Borough of Sussex, Sussex County
December 16, 2015

ACTION REQUESTED

To approve the nomination of the Borough of Sussex in Sussex County as an NJRA eligibility community, through P.L. Chapter 55 2015

OVERVIEW

On May 11, 2015, the New Jersey Legislature approved P.L. Chapter 55 which permits the Commissioner of Community Affairs to nominate a municipality as a “qualified municipality” in order to be eligible to participate in community redevelopment programs financed through the New Jersey Redevelopment Authority (NJRA) when no other municipality within the county meets the requirements of a “qualified municipality” pursuant to section 3 of P.L.1996, c.62 (C.55:19-22).

The nominated municipality must have a rank in the top 20% of the Municipal Distress Index (MDI) and be approved by NJRA’s board.

Once approved, the municipality shall be eligible to participate in the program for five years. Thereafter, the commissioner may re-nominate the municipality for participation in the program every five years.

ATTACHMENTS

Resolution #15-18

Nomination letter from Charles A. Richman, Commissioner, DCA

**APPROVAL OF THE NOMINATION OF THE
BOROUGH OF SUSSEX, SUSSEX COUNTY
AS A NJRA ELIGIBLE MUNICIPALITY**

THE MEMBERS OF THE NEW JERSEY REDEVELOPMENT AUTHORITY pursuant to P.L. 2015 Chapter 56 hereby approves the nomination of the Borough of Sussex, Sussex County as a NJRA eligible municipality for a period of five (5) years.

A copy of this resolution shall be immediately transmitted to the Governor. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after such copy of this resolution has been delivered to the Governor for his approval, unless during such ten-day period, the Governor shall approve the same, in which case, such action shall become effective upon such approval, as provided in the New Jersey Urban Redevelopment Act.

The foregoing is a true copy of a Resolution adopted by the New Jersey Redevelopment Authority at a meeting held on December 16, 2015.

VOTE

| YES | NO | ABSTAINED |
|-----|----|-----------|
| | | |

Leslie A. Anderson, Secretary
New Jersey Redevelopment Authority



State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS

101 SOUTH BROAD STREET

PO BOX 800

TRENTON, NJ 08625-0800

(609) 292-6420

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

CHARLES A. RICHMAN
Commissioner

November 30, 2015

Leslie Anderson, Executive Director
New Jersey Redevelopment Authority
150 West State Street
Trenton, New Jersey 08625

Dear Executive Director Anderson:

As you are aware, the Legislature recently amended the New Jersey Urban Redevelopment Act to expand the definition of a "qualified municipality". The definition originally included only those municipalities eligible to receive aid under the Special Municipal Aid Act, and those coextensive with a school district which qualified for designation as a special needs district under the Quality Education Act. The amendment, L.2015, c. 56, effective on May 11, 2015 and codified at N.J.S.A. 55:19-22, provides that, if no municipality in a county satisfies the criteria set forth above, the Commissioner of DCA may nominate one municipality from that county as eligible under the Act, provided that the municipality has a rank in the top 20% of the current Municipal Distress Index. The municipality so nominated then goes before the Redevelopment Board for its review. This letter is to advise you that, pursuant to that authority, I am nominating the Borough of Sussex, Sussex County. I would ask that the Board consider this nomination at its first available opportunity.

Sincerely,

Charles A. Richman
Commissioner

c. Honorable Steven V. Oroho,
Senator, District 24

Honorable Jonathan Rose,
Mayor, Borough of Sussex



RESOLUTION #15-19
2015 NJRA Meeting Schedule
December 16, 2015

ACTION REQUESTED

Approval of the 2016 Meeting Schedule.

ATTACHMENTS

Resolution # 15-19
2016 Annual Meeting Schedule

**APPROVAL OF THE
2016 ANNUAL MEETING SCHEDULE
OF THE
NEW JERSEY REDEVELOPMENT AUTHORITY**

BE IT RESOLVED,

That the members of the New Jersey Redevelopment Authority hereby approve the 2016 Annual Meeting Schedule.

A copy of this resolution shall be immediately transmitted to the Governor. This resolution shall take effect immediately, but no action authorized herein shall have force and effect until ten (10) days, Saturdays, Sundays and public holidays excepted, after such copy of this resolution has been delivered to the Governor for his approval, unless during such ten-day period, the Governor shall approve the same, in which case, such action shall become effective upon such approval, as provided in the New Jersey Urban Redevelopment Act.

The foregoing is a true copy of a Resolution adopted by the New Jersey Redevelopment Authority at a meeting held on December 16, 2015.

VOTE

| YES | NO | ABSTAINED |
|-----|----|-----------|
| | | |

Leslie A. Anderson, Secretary
New Jersey Redevelopment Authority

**NEW JERSEY REDEVELOPMENT AUTHORITY
(NJRA)
ANNUAL MEETING SCHEDULE
2016**

WEDNESDAY, JANUARY 27, 2016

WEDNESDAY, MARCH 23, 2016

WEDNESDAY, MAY 25, 2016

WEDNESDAY, SEPTEMBER 28, 2016

WEDNESDAY, DECEMBER 14, 2016

All meetings will begin at 10 AM and are held at the principal offices of the New Jersey Redevelopment Authority (NJRA) located at 150 West State Street, 2nd Floor, Trenton, New Jersey 08625 unless otherwise indicated in meeting notices published monthly in accordance with the Open Public Meetings Act.