

Bergen County Economic Development Corporation | 2014  
Meeting Minutes

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**Board of Directors Meeting**  
**Wednesday, May 14, 2014 9:07 a.m. - 9:45 a.m.**

**IN ATTENDANCE:** Vincent J. Vicari, Gregory Dunlap, Michael Gallo, Blake Goodman, Toni Veraldi Graziano, William C. Hanson, Tracy S. Zur, James R. Napolitano, Howard B. Weinberg, Steven Weinstein Weinstein

**STAFF:** Maggie Peters Peters, Susan Battle, Tara Means

**NOT IN ATTENDANCE:** William J. Boylan, Kathleen A. Donovan, Matthew J. Dikovics, Robert S. Garrison, Mohammed Hameeduddin, John P. Libretti, Adam M. Pasternack, Robert L. Peacock, Edward J. Trawinski

**The Meeting was called to order at 9:07 a.m.**

**APPROVAL OF MINUTES:**

Motion by Howard Weinberg, seconded by Blake Goodman

Maggie Peters Peters introduced Toni Veraldi Graziano, Orange & Rockland Electric Co. whom is new to the board.

**FINANCES:**

Steven Weinstein explained that the potential Internal Revenue Service (IRS) penalty of \$4,500 discussed previously was cleared after providing proof BCEDC filed on time. Steven Weinstein informed that the 990 for 2013 was electronically filed a few weeks ago, and the audit was done about a month ago. Steven Weinstein stated that BCEDC is in good financial shape.

Steven Weinstein said we received membership dues of \$5,000 in the first 4 months, but are expecting additional member dues shortly.

Steven Weinstein explained that this caused the account to be down by \$10,000 in the first 4 months but this was similar to last year, as we continue collecting more membership dues. As we move into the fall, Steven Weinstein explained we will start collecting in the restricted account for the festival. Steven Weinstein stated we have roughly about \$70,000 in the restricted account.

Maggie Peters explained that almost all members have paid their 2014 membership and she expects to have \$1,000 more in membership income this year.

Howard Weinberg asked about the notice that was sent out regarding dues and if that was due to some people who still owed and if anyone was withdrawing. Maggie Peters said yes, some people still owed, but as far as she knew no one was withdrawing.

**Approval of Finances:** Motion by William Hanson to approve, seconded by Howard Weinberg

**ACTIVITY**

Maggie Peters stated that the number of business outreach letters to date is 3,694. Toni Veraldi Graziano asked if the letters that are sent out to companies by square footage or a certain industry type. Maggie Peters responded no, it is every business that has registered with the County Clerk's office in Bergen County.

Maggie Peters stated that assistance provided to companies and partners in the last quarter was 325 total and 99 were project handoffs. Maggie Peters also informed the Board that site selection is provided most often.

Maggie Peters explained as far as vacancy rates, she could either go through them at the meetings or provide that information in an email. Maggie Peters did state that the rate for Bergen County's vacancy rate was 13.3%.

Gregory Dunlap asked what the reason for the drop in vacancy rates was. Maggie Peters stated that it is due to increased activity in the market and increased economic confidence. Maggie Peters then asked the real estate brokers in the room if they had anything to add as they deal with potential tenants daily. Blake Goodman explained that on the office side there were a few tenants that came out of New York City moving to Jersey City and the Meadowlands area and that Continental Plaza, Hackensack has also experienced 2-3 company expansions. Blake Goodman stated that he feels recent activity has had a lot to do with NJ's recent economic development incentives over haul i.e. Economic Opportunity Act/Grow NJ.

Gregory Dunlap commented that what they are seeing, especially on the utility side is an uptick in new construction; (residential) especially rentals, but not a lot of new activity or change in activity on the office side.

Blake Goodman responded that Bergen County as a whole has not experienced much activity due to the stagnant job market however, because Bergen County is right outside Manhattan it benefits from overflow. Blake Goodman also informed that area's such as Morris and Passaic County remain very weak.

William Hanson commented that the economy is gradually improving because companies are doing more, but something has to change because New Jersey is really losing the 'driving companies' that make it a booming economy in the office arena.

Blake Goodman informed that in New York City the technology industry is booming as a result of many companies in the industry located on the West Coast becoming interested and relocating and/or expanding to the East Coast.

William Hanson stated that in Secaucus, Hartz Mountain is taking office buildings down, which changes the inventory and occupancy rate. William Hanson asked if that was also happening here in Bergen County and if the Pearson Education Building was out of the numbers, because that would increase the vacancy substantially. Blake Goodman answered that he was unsure if it was taken off yet or not since there has been no determination what is happening with the building.

Maggie Peters stated she was unsure as well, but something was going to happen there that included residential. Blake Goodman commented that once the building came off that would drastically change the numbers.

Michael Gallo stated that banks are very eager to lend money for residential apartment buildings, but not so eager to lend for office buildings which causes additional issues for office space. Michael also stated that if you have residential property any bank will jump at the chance right now because that is the hot market now for commercial banking.

Maggie Peters stated that there is a lot of activity in the Meadowlands in regard to industrial real estate. Industrial vacancy is 7.7%. Bergen County has the largest inventory of industrial square footage therefore, 7.7% is very positive. An industrial sq. ft. will cost about \$7.04.

#### **LABOR FORCE**

Tara Means informed the Board that for the year end 2013 we were at 7.1% unemployment for the year and as of March 2014 unemployment was 6.3%, which brought us to the 2<sup>nd</sup> lowest. Morris County continues to remain the lowest in the state.

#### **COUNTY FAIR FALL HARVEST FESTIVAL**

Maggie Peters informed that we raised enough to give back to the 4H Rutgers Cooperative who runs the harvest festival portion of the Fair. The check was presented by County Executive Kathleen A. Donovan. Maggie Peters said even though we were able to give money back, we still had a little seed money left for this year's fair which is already being planned.

#### **CROSSROADS, MAHWAH**

Maggie Peters attended a meeting on May 13<sup>th</sup> with Bergen County Planning and the Crossroads Development team. Maggie Peters informed that there is an outstanding lawsuit but she believes the project will move forward. Maggie Peters said Crossroads representatives did not believe the legal obstacles will be lengthy. The Crossroads project is 600,000 sq. ft. of mixed use. The project has great access to highway; plans include a movie theatre, retail and residential. Maggie Peters also stated that the developer will stay within the ordinance from the township therefore, will not need a variance.

#### **BROWNFIELD DATABASE**

Maggie Peters said they have finally cleaned the data and populated the database with all the available brownfields within Bergen County. Maggie Peters stated this was all done in-house

thanks to the assistance from the planning department and interns. Maggie Peters informed that we now are capable of searching for brownfields by town and acreage ranges. Maggie Peters explained that this process took about 2 years. Volunteer as well as paid staff worked to identify sites, confirm that they are still available and understand what municipalities are interested in having developed.

Tara Means stated there is over a 1,000 sites in the database.

Maggie Peters explained that this was very important to us as she would get many calls from people interested in investing in Bergen County through brownfield redevelopment and now we are able to accommodate. Maggie Peters stated that BCEDC always hires an intern each summer and that maintaining this database will become part of his/her responsibilities.

#### **BYLAWS**

Maggie Peters stated that the bylaws are being revised. They have already been reviewed by County Counsel and are currently being reviewed by the Pro-Bono Partnership. Maggie Peters engaged the Pro-Bono Partnership to get another impartial viewpoint, and stated that once she gets feedback from Pro-Bono Partnership the board can review and we can move toward adoption.

#### **FAIR LAWN TRANSIT ORIENTED DEVELOPMENT (TOD)**

Maggie Peters stated that as previously discussed the 2002 bond money for rail network improvements being used for a study of the Radburn corridor is almost to the point of a signed agreement with New Jersey Transit and the Borough of Fair Lawn. Maggie Peters said she and Steven Weinstein and other NJ Transit and Fair Lawn representatives have met on a few occasions and as soon as the agreement is signed the money can be disbursed to New Jersey Transit. A consultant has been chosen from among NJ Transit's qualified consultants. These consultants are hired every 3 years and undergo the federal procurement procedure to be considered. Maggie Peters stated that she felt the partners were happy with their choices and have chosen Looney Ricks Kiss (LRK), Princeton. Maggie Peters said she is reviewing the agreement now, and it should be ready to go this week. Steven Weinstein stated, Fair Lawn and the Fair Lawn Economic Development Committee will hopefully have it reviewed by June. Maggie Peters stated once they start working with consultants, she will bring them in to speak about what the scope will be and to update everyone since this is something Maggie Peters has spent a lot of time on.

Steven Weinstein stated that a few years ago there was a study being done on the 208 corridor that will be taken into consideration. Steven Weinstein said if you drive up on 208 you will see the Fair Lawn Promenade development that includes luxury residential rental apartments, Dan Marino's Pizza, Cordova Noodle House and Starbucks, which is a first time in Fair Lawn. Steven Weinstein explained that this flows right into the Radburn business district and this is a great reason for NJ Transit to see potential in this section of Fair Lawn.

Howard Weinstein asked if the Promenade was a life center and did it include residential? Steven Weinstein explained that it was a mixed use property including residential, retail and office. Howard Weinberg questioned about the residential element of that, and Steve Weinstein informed that the Promenade is almost complete. Other members commented that the development is beautiful and rents are pricey. Steven Weinstein added that Columbia Bank's building is there, along with another office building and the train station - 'so it's all coming together.'

Maggie Peters informed that she established criteria to qualify projects to use this 2002 bond money: (1) 2 train stations within 1 municipality and/or top 3 highest ridership within Bergen County (2) Mixed-Use Economic Development Projects approved or underway. This criterion that was set to make sure public money enhances existing assets and creates additional momentum where private investment has seen fit. Maggie Peters stated that she wanted to see Economic Development Projects that were approved because if that was not the case the money would have been spent speculatively. Maggie Peters explained that simultaneous discussions are taking place between Robert Garrison and the Village of Ridgewood regarding a portion of the same 2002 Bond monies. Maggie Peters explained that the Bergen County Improvement Authority (BCIA) is interested in helping municipalities ensure adequate parking through bonds for structured parking. The bond monies would be used for the preliminary study to determine parking needs. Maggie Peters stated that the preliminary name for Phase II with the BCIA is the Transit Station Access Program (TSAP).

#### **COMPANY ASSISTANCE**

Maggie Peters stated that BCEDC has a health amount of prospects in the pipeline, including one from a banker requesting 6-8 acres. Maggie Peters also informed that there was an interesting request from Sun Chemical in Carlstadt. Sun Chemical is looking to host entrepreneurs and let them grow their business for below market rents and hopefully down the road there will potential for partnership. Maggie Peters explained it's like an incubator, but without the government paying for it. Maggie Peters said she did refer a few clients to Sun Chemical to see if they could partner.

Maggie Peters stated that a letter was sent to the largest employers detailing incentives and eligibility and she received a response from Jaguar, Mahwah. They would like to build a training center out of a warehouse on their property. Maggie informed that unfortunately they would not be eligible for state incentives as there would not be any new jobs. Instead it would serve existing employees from other sites coming to the area for product training.

Maggie Peters talked about one of the at risk companies, which is Kreisler, Elmwood Park. Kreisler has about 185 jobs and they are looking to go somewhere cheaper. Maggie Peters stated they are working with the NJ Business Action Center and hoping they don't relocate to Paterson.

Maggie Peters stated that a Luxury Retailer contacted BCEDC interested in employee recruitment. They are opening a new distribution center in Lyndhurst, but would not divulge their address.

Tara Means explained that they came to BCEDC because they had held a private job fair at the Marriott, Lyndhurst. Tara Means stated their offices in New York had contacted her to help them market the job fair. Tara Means put them in touch with the One-Stop Career Center and Veteran Services. Tara Means informed the board that out of those who attended the job fair, about 10 people were brought in for potential hire. Tara Means stated between herself and the County Executive's media relations team they helped market it through the newsletter and social media. The company was also put in touch with the New Jersey Department of Labor. Tara Means was informed that the company would like to continue to work with us and will also be attending the County job fair that are held twice a year.

Maggie Peters stated that Steve Weinstein introduced her to the CFO of 24/7 International, LLC, Montville (Morris County). Maggie Peters and Steve Weinstein visited 24/7 and discussed the company's need. 24/7 was looking to invest in \$10 – \$30 million dollars. Maggie Peters sent her a 60+ real estate sites including land as is hoping that investment will be in Bergen County.

Maggie Peters explained that she and Tara Means were contacted by Mahwah and Little Ferry for different reasons, but were able to help them both. Maggie Peters explained that Mahwah has so many great assets they wanted help marketing themselves so BCEDC created marketing material for them. Little Ferry requested Maggie Peters speak to their finance board about development on the water front. They have a couple of properties they would like to assemble so Maggie Peters prepared some marketing material for that as well. Maggie Peters will be speaking with them again in a few months to see what has developed.

#### **BERGEN COUNTY FAIR & FALL HARVEST FESTIVAL 2014**

Maggie Peters stated that the county fair planning has begun with the money in the restricted fund and fund raising for 2014 has commenced. The dates for the fair will be September 27 & 28 in Overpeck Park.

#### **SPEAKERS BUREAU**

Maggie Peters reported on speaking engagements/speakers bureau. She spoke at the Small Business Development Center (SBDC) Meet the Lenders event and Vince Vicari informed everyone that it was very successful; one of the most successful yet; 78 people, 11 banks and about 18 clients.

Maggie Peters said herself, Vince Vicari and Tammy Molinelli from the WIB also spoke at another event together; the Meadowland Regional Chamber Biz Fest, where she spoke about BCEDC's programs & services and also state incentives. Maggie Peters stated it was a very good event. Vince Vicari stated that Dominic from the SBA regional office also attended.

Maggie Peters stated that she had another speaking engagement upcoming on 5/15/14 for the Hackensack Chamber along with the SBDC and Bergen County One-Stop Director.

#### **OTHER BUSINESS**

None

#### **MARKETING & TOURISM**

Tara Means introduced the new Programs and Services booklet, which is now being done in-house so they can be updated and printed as needed. Tara Means explained the reason for updating the booklet was due to the state incentives changing and some of the New Jersey Department of Labor programs being updated and contact info changing. Tara Means informed the board that a copy of the book is also available on the homepage of the website. She explained some of the things in the booklet are financing incentive programs from the state, county demographics, along with a map of the county that shows the rail stations and rail lines, major highways, state incubators, along with all programs that are available to small to large companies.

#### **NEWSLETTER**

Tara Means stated that the distribution for the quarterly newsletter is up to 3,500, which she said is very good for a small newsletter, and the company spotlight for Q1 2014 was Mondelēz, International for their \$130 million dollar investment in their manufacturing network a large portion of which will be invested in the Fair Lawn plant.

Maggie Peters commented that BCEDC visited Mondolēz through the 'Listening to Business Initiative' largest employer outreach at which time concern was expressed because there was talk that Kraft was thinking about investing sites outside the county. Maggie Peters stated there is always concern as the building did appear to be outdated and once inside appeared to be underutilized. Maggie Peters informed the board that in the end Mondolēz did decide to invest in the site and that it is one they will be keeping. Tara Means said they are closing the site in Philadelphia and investing in Fair Lawn and Richmond Virginia.

Tara Means spoke about the Q1 newsletter reporting that there were 280 shares between Facebook, Twitter and LinkedIn. Tara Means explained that this demonstrates that people who read the newsletter shared it 280 times to their walls and she was happy for the additional exposure for BCEDC. Tara Means also stated that in the Q2 newsletter, she will be introducing a Small Business Spotlight. She stated they also will be continuing the featured property every Monday on Facebook which has been working out very well.

#### **JOB FAIR**

Tara Means stated that the County held its 4<sup>th</sup> job fair on March 19<sup>th</sup> at Bergen Community College. This was the biggest fair to date, with 110 employers that filled the room. There were roughly 1,000+ job seekers, which was a little under the previous fair, but Tara Means stated she

didn't think that was a bad thing. Tara Means said a survey was sent out last week from the college to get feedback from the employers about the fair in general and to see how many people they have hired. The results from that survey will be shared at the next board meeting. Tara Means informed the board that the next job fair will be held on October 24<sup>th</sup> at the college.

### **TOURISM**

Tara Means said we have two interns coming in from Bergen Academy's this summer to help redo the tourism website. Tara Means also said Cultural Affairs has been generous to give money to build a website off of the county website so it should be easier to find. Tara also stated we are in the process of setting up our next tourism advisory council meeting.

### **IN PROGRESS**

Maggie Peters stated we will continue to work on the by-laws and the brownfields and the T.O.D. as well as new member development.

Vincent Vicari announced that he has started a business clinic and extended the invitation to anyone who may have potential clients who are unsure of what services are available for business start-ups through the NJSBDC network. This will start on May 28<sup>th</sup> and it's the 4<sup>th</sup> one. Vincent Vicari will present all of the startup issues or break even analysis and market research people need to do to get their businesses off the ground. This event will also include an SBA partner, such as a bank or someone that adds value to the small business area. Once that is done, he will do one on one counseling once or twice a month. It will take about 3 hours to go through the process and increase the client counseling hours about 30% with the same resources.

### **NEXT MEETING DATE:**

August 13, 2014

### **ADJOURNMENT:**

William Hanson moved to adjourn  
James Napolitano approved

There being no further business, the meeting was adjourned at 9:45 a.m.