



State & Commerce Committee - Board of Representatives

Paul Esposito, Chair

Eileen Heaphy, Vice Chair

COMMITTEE REPORT

Date: Monday, October 6, 2008

Time: 6:30 p.m.

Place: Conference Room #2, 4th Floor, Government Center, 888 Washington Boulevard

The State & Commerce Committee met as indicated above. Present were Chair Esposito and Vice Chair Heaphy and Committee Member Reps. DeLuca, Diamond, Esposito, Fedeli, Mallozzi, Rauh, Skigen and Summerville. Absent/excused were Committee Member Reps. Day and Lombardo. Also present were Michael Freimuth, Economic Development Director and Jeffrey Newman, Executive Vice President, W&M Properties.

Chair Esposito called the meeting to order at 6:32 p.m.

Item No.	Description	Committee Action
1. SC27.028	RESOLUTION; extending the City's Enterprise Zone program for five years.	COMMITTEE APPROVED 9-0-0

Representative Rauh expressed concern about allowing businesses to expand outside of the targeted areas. Mr. Freimuth explained the process by which a business can go outside of the zone. Any such expansion must be approved by the state on a case-by-case basis and often is in response to a need of the business to be able to grow. He also noted that the State has increased reporting requirements in recent years, requiring reports on salaries, benefits and zip codes in which employees reside. Mr. Friemuth also noted the incidental benefit to the City of increased conveyance taxes as a result of the Enterprise Zone. Representative Summerville noted that that the Enterprise Zone was not designed as a money-making venture, but rather as a way for the City to exercise control over what is in the zone. In response to a request from Representative DeLuca at a prior meeting, Mr. Friemuth distributed a memo (attached) containing approvals of the Enterprise Zone by the City Economic Development Commission and the Community Enterprise Zone Board, as well as a list of the businesses within the Enterprise Zone. Representative Diamond commented on the importance of continuing to attract business during an economic downturn.

Upon motion to approve the final ordinance for final adoption was made, seconded and approved by unanimous vote (Reps. Esposito, Heaphy, DeLuca, Diamond, Esposito, Fedeli, Mallozzi, Rauh, Skigen and Summerville in favor).

2. [SC27.027](#) REVIEW; Semi-annual Economic Development Report. **NO ACTION**

The meeting was adjourned at 6:52 p.m.

Respectfully submitted,

Paul Esposito, Chair