

City of Atlantic City's Recovery Plan

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Recovery Plan for City of Atlantic City

The key to Atlantic City's recovery and transition beyond gaming is our City, County, State and Federal Government working together as well as our gaming industry, businesses, property owners and community leaders must work together in order to improve the quality of life for our residents and usher in the next prosperous chapter in Atlantic City's history.

The members of the governing body of Atlantic City and I are responsible for delivering services to our residents at a reasonable cost and to make sure our community is clean and safe. Without placing blame for past mistakes, our objective continues to be to move Atlantic City forward. Our long term goals remain the same: reduction of poverty, improved education for our children, job creation and enhanced opportunities for new business and housing.

However, none of these goals will be possible without substantial tax relief. We need to stabilize property taxes.

In the past few weeks, there have been recommendations released by State Senate President Steve Sweeney and Jon Hanson. Our report will present new ideas, but also include their recommendations that we agree with, and comment on those that we do not. Many of the previously presented recommendations are included in our report because many of them have already been put in place since I became Mayor in January.

Although some of the recommendations are based on research gathered by Henry Amoroso and his team at HJA Strategies, the practical solutions put forth comes from our first-hand, "day-to-day" knowledge of running Atlantic City government. Mr. Amoroso has served as budget consultant to the City of the Atlantic City through a grant from the Greater Atlantic City Chamber of Commerce.

Currently, excessively high property taxes have become the number one impediment moving forward. High corrective action is needed. The Atlantic City Recovery Plan calls for the following:

1. Expense Reductions:

- **Reducing municipal personnel costs**
- **Reducing the cost of benefits and other expenses**
- **Reducing school costs**

2. Revenue Enhancement:

- **Right-sizing municipal state aid**
- **Redirection of revenues from other public entities**
- **Sale of city assets**

- **Right-sizing school district aid**

3. Revenue stabilization

- **Establish “Alternative-Tax-Payment” for gaming industry**
- **Redirection of “Investment-Alternative-Tax”**
- **Redirection of Atlantic City Alliance payments**
- **Utilize redevelopment laws for economic growth**

A New Administration

Prior to being sworn in as Mayor on January 1, 2014, I selected Chris Filiciello to become my Chief of Staff and to oversee my transition team. Chris Filiciello was selected because of his experience working in the White House, at the Pentagon, and the Casino Reinvestment Development Authority (CRDA). We convened review committees of stakeholders (including State Monitor Ed Sasdelli) to interview candidates from a statewide search for the positions of Business Administrator, City Solicitor, Planning and Development, and Licensing and Inspection. I made it clear that I wanted individuals for Business Administrator and Solicitor with extensive backgrounds in dealing with issues associated with distressed cities in New Jersey. Arch Liston was selected as Business Administrator because of his work in Bridgeton and Hoboken. Jason Holt was selected as City Solicitor because of his experience in State, County, and Municipal government which include East Orange and Orange. After additional state wide searches, I hired Elizabeth Terenik, who has over 20 years of planning experience and who also was the Director of Planning for the CRDA, as my new Planning and Development Director. For my Licensing and Inspection Director, I chose Dale Finch from Millville who brings with him over 30 years of government experience including working at the NJ Department of Treasury as an efficiency auditor and the NJ Department of Community Affairs, Division of Local Government Services in the then Distressed Cities Program where he monitored such cities as Asbury Park, Paterson and Camden.

With the combination of these new Directors and those I asked to stay on during my Administration, I will continue to work directly with State Monitor Sasdelli to bring much needed reforms to Atlantic City.

City Budget

Since taking office on January 1, 2014, the City of Atlantic City has come under the supervision of the New Jersey Department of Community Affairs (DCA), and most directly, State Monitor Ed Sasdelli. Our plan recognizes and accepts the assignment of a State Monitor. The State Monitor already possesses the powers and authority delineated in state statute, including but not limited to, NJSA 52:27BB-54 (et. seq.) and all the authority outlined in the Transitional Aid Memorandum of Understanding signed by the City and the State. We have worked very closely with the State Monitor since January 1st to reduce the cost of government on all levels.

Atlantic City's budget in 2014 was \$261,364,170. Out of this, the discretionary budget was eclipsed by non-discretionary spending including debt service, health insurance, and pensions.

Although we have made every effort to bring the operational costs down since coming to office eleven months ago, most of these non-discretionary expenses stem from past agreements or are statutorily defined.

The following additional costs are anticipated in 2015: added "Debt Service" \$4,175,269, "Health Insurance" \$2,660,895, "Collective Bargaining Agreements" increases \$1,992,310, and added "Pensions" \$455,427.

The result of these increases would bring our 2015 City budget to \$270,648,071.

The City participated in Transitional Aid in 2014 and received \$13 million towards lowering property taxes increases. The City also received \$6.775 million in an Essential Services Grant and \$6.22 million in Energy Receipt Tax.

The City has had a hiring freeze since January as well as a promotion freeze and salary increase freeze except where required through collective bargaining.

Although other plans have called for an Emergency Manager, our plan requires the State Monitor to remain in place and continue to approve all hiring, firing, expenditures, and budgets, contracts with an override of both the Mayor and City Council. Other plans have called this position an Emergency Manager but that is a term used in Michigan.

We need to cut our budget by \$40 million dollars over the next four years. As of June 2014, \$5 million dollars was reduced and the 2015 budget will be reduced by another \$15 million dollars.

1. EXPENSE REDUCTIONS

Reducing municipal personnel costs

Through a hiring freeze (except for essential services) and aggressive attrition we have produced a reduction of 140 employees since January 1, 2014. These positions will be eliminated in the 2015 budget. We are working with each of our union presidents as well as City Directors to determine how to best provide service at the lowest cost. Our current plan will reduce the City work force by 250 to 300 positions, (which included the 140 vacancies) by the end of 2015. Here is a recap to date of our intentions.

See Addendum 1 – City positions not funded for 2015

Atlantic City Police Department

We have reduced the force from 330 to 300. We will reach 285 officers by March 2015. This alone represents a \$7 million dollar in annual savings.

We have requested from the CRDA funding for 30 additional Class 2 Police Officers and 2 Sergeants that will be used only within the Tourism District. The CRDA and Atlantic City Alliance (ACA) will see a substantial savings for all events that they sponsor as these 32 officers would be assigned at no additional cost. Class 2 Police Officers are paid \$15 hourly with no benefits. In reality, they are less costly than a CRDA Ambassador. A CRDA Ambassador receives \$12 hourly plus 40% additional costs in benefits.

Sixty City-owned vehicles that were taken home by police officers for various reasons are no longer being taken home. We are currently working with Police Chief Henry White and both PBA President Paul Barbere and Senior Officer Association Representative Captain Frank Brennan to reduce the overall costs of our police force from \$55 million to \$40 million over a two year period. This is comparable to the State "regional model", in terms of money saved, and it DOES NOT require the elimination of the existing police department and a creation of a county metro division. It is extremely important that we maintain the institutional knowledge acquired by the officers on the street and who know our City better than anyone else.

Our police force has reduced crime in 2014 under Chief White far greater than any other city in New Jersey, including Camden. We can achieve substantial savings and still have a safe city. The additional savings will come as officers are promoted and past practices of promotion payments are no longer being followed. Increments over base pay will be substantially reduced. Negotiations are ongoing, and the PBA has agreed to open their current contract one year earlier in order to achieve additional savings. Police officers whose duties that can be replaced with civilians will be reassigned to patrol. Additional cost savings are being pursued to achieve the overall reduction to an annual cost of \$40 million.

Atlantic City Fire Department

We will reduce the staffing from 210 budgeted positions to 185 firefighters for an annual savings of \$2.75 million. There are currently 51 firefighters that are paid from a Federal grant that will expire at the end of 2015. Through attrition, many of these officers are not being replaced. Should the Staffing for Adequate Fire and Emergency Response (SAFER) Grant be extended for 2016 and 2017, we will ramp up to the 51 staffing, then attrition down during the period of the grant.

Currently, we are negotiating with Chief Brooks as well as the firefighter union to bring costs from \$35 million to \$25 million annually. Half of all calls (2,484 in 2012) are for EMT calls. Clearly, an alternate to sending a fire truck with four firefighters will take place but will require State approval.

We are also researching the work week of 42 hours and how it might be extended to 54 hours that will, through attrition, reduce the number of staff by 20%. Although there is no savings in salary as firefighters will serve a longer week, the savings will be realized in pension and health as the force is reduced by 20%.

Firefighters will be replaced by a civilian work force for fire prevention and the replaced officers will return to their respective stations. In addition, Atlantic City is in discussions with Brigantine and Ventnor for an island wide fire department. We believe we will be able to achieve comparable services with a reduction of each community. Firefighters have presented a number of revenue enhancements which we are currently vetting.

Non-Police and Fire

Dispatch

We currently have 62 budgeted positions. Through attrition, we are down to 50 and will eliminate 12 positions in the 2015 budget. The County is currently designing and building a county wide dispatch center. When completed in 2016/2017, Atlantic City will join and the savings will exceed \$3 million dollars annually.

Board of Health Inspections

We believe we can combine both code enforcement and Board of Health in most cases and reduce expenses by \$400,000. As an alternate, we can eliminate the Health Department and have the County take over health inspections. Savings would be comparable to combining departmental duties.

Municipal Court

We anticipate creating a four day, ten hour work week that will eliminate shift differentials and keep police officers on the street. This will create an overall cost savings with our courts. Estimate annual savings will be \$150,000. We will also consider an additional part-time judge to clean up our back log.

Community Development Block Grants

We will eliminate this department and have the County take over paperwork that will be paid by the Federal government with no reduction in funds to the City. Estimated savings will be \$320,000 annually.

Department Directors

Two additional directors have retired in December 2014, Director of Emergency Management and Assistant OEM Manager, and also the Director of Health and Human Services. We will eliminate these positions for a savings of \$400,000. OEM Manager Duties will be assumed by the Business Administrator. The Assistant OEM Manager

duties will be assumed by a designated police officer and firefighter. Health and Human Services will be broken up into existing departments.

Mercantile Inspectors

Eliminate inspection officers and assign mercantile duties to the police department for a savings of \$250,000.

Engineering

Eliminate this division department except for required Administrative Engineer. Bid services as needed for an annual savings of \$500,000

Public Works

Eliminate 20 year-round staffers that have seasonal assignments and replace with seasonal staff for a savings of \$200,000.

Begin transition for new sanitation trucks with mechanical arms and eliminate two of three man staff per truck, where feasible. The savings after two years will be \$900,000 in salary and benefits annually.

We will bid out trash collection for private locations that the City reimburses. We anticipate a savings of an additional \$500,000.

At the end of 2015, end the privatization of auto repair and it take back from a sub-contractor for a savings of \$500,000.

We will reduce staffing and scope of building maintenance comparable to privatization or privatize for a savings of \$100,000.

Other Departments

We will continue to monitor every service to determine if regionalization or privatization is more effective in lowering costs.

Reducing the cost of benefits and other expenses

1: Explore what options are available under the Transitional Aid and State oversight to defer or waive large payments.

Our annual pension payment for the next three years is: \$22.8 million, \$23.2 million, and \$25.1 million respectively. We ask that the City be allowed to defer these payments annually for three years for debt reduction.

2: Change State legislation that requires the City to provide a pension plan for lifeguards. Transfer those with greater than 10 years of service into the State pension plan. We would then eliminate the pension plan for other and future lifeguards. The estimated saving would be \$1 million annually.

3: Pursue a centralized pharmaceutical disbursement and continue to pursue health savings.

Reducing school costs

The Atlantic City School District budget now makes up 38% of property taxes. The Atlantic City total cost per student is the 3rd highest in the State among former Abbott Districts. While the average cost per student is approximately \$19,000, the cost in Atlantic City was \$25,676 in 2012-2013 school years. Using Irvington as a comparable city school district, our school budget must be reduced to a cost of between \$17,620 and \$22,440 per student over the next three years, or a reduction in 2015 of \$10 million dollars and continuing an additional cut of \$6 million for three additional years. A state monitor, similar to what Ed Sasdelli is to the City, through the Department of Education, should be appointed to control and reduce spending. An Atlantic City School Aid Bill has been introduced.

Addendum 2 – Cost per student compare to 35 other NJ cities

2. REVENUE ENHANCEMENT

Right-sizing municipal state aid

Almost every city in New Jersey receives some form of aid from the State to assist with municipal government. In particular, there are about 35 cities that are considered our “peer city” in which their size, population, and other factors are comparable. In the past, 75% of the property taxes paid in Atlantic City were borne by the casinos and the total assessment of properties was over \$20 billion. Neither are the cases today. The assessment of \$11.2 billion in 2014 will most likely be reduced to between \$9.0 billion to \$8.5 billion in 2015 and \$8 billion to \$7 billion in 2016 (if casino properties are reassessed). This requires the equal footing of Atlantic City with other New Jersey cities. We will need \$20 million in 2015 between State Transitional Aid and CMPTRA Aid (provided we will be able to obtain pension waiver and both Investment Alternative Tax (IAT) and ACA financial support for debt reduction). Without funding from IAT and ACA and pension deferment, the City would require \$50 million rather than \$20 million in CMPTRA and Transitional Aid.

Addendum 3 – State Aid to 35 NJ cities

Right-sizing school district aid

Previously, the City of Atlantic City schools did not initially qualify for the Abbot funding. Today, Atlantic City would clearly qualify and an equal footing with other New Jersey cities is needed. The amount annually would be able to be used along with a \$10 million reduction in budget for property tax relief in 2015.

Addendum 4 – Comparison of school aid to 35 other cities

Addendum 5 – S2574

Sale of City Assets

The City has sold the Patsy Wallace Center in 2014.

The City should move the Art Center from Garden Pier to the Noyes Arts Garage and the Atlantic City Museum to Boardwalk Hall as part of the New Jersey Hall of Fame. The Pier with these two building should either be leased out for restaurants or other tourist based activities on the boardwalk or sold entirely.

The Comfort Station at Kennedy Plaza should be leased or sold as a coffee house or restaurant.

Gardner's Basin should either be leased to a developer with the City as an equity partner or sold, taking back a 30-year mortgage so that the annual payment would be used for tax relief. The Atlantic City Aquarium should also be part of the new seaside development with internships from Stockton and a guarantee for Atlantic City children to have free access annually.

Bader Field had a value of close to \$900 million seven years ago but has a value of less than \$200 million today. The long range goal for Bader Field should be a multi-use development after the market returns in 5 to 10 years. The best short term use for the next five years is as sports complex with multiple fields for hockey softball, lacrosse, baseball, and football with enclosed domes for year-round use. The monthly rental plus a percentage of each ticket will assist with current budgets while not selling the field until market rates increase.

We are in discussions for a professional baseball and soccer team for the stadium, along with use by sports teams belonging to Atlantic County Cape Community College and Stockton. Any future sale should be contingent that all sales be used for property tax relief.

We currently have two fire houses that are not being used and both should be sold.

The City has a Municipal Utilities Authority. There have been several offers to purchase the Authority or lease the Authority over a long term period. Although it generates immediate funds, it will burden our children and grandchildren since the costs of water will be increased annually until the repurchase price is paid off (along with substantial

profit for the buyers). The Authority should be transferred to a City Utility and a rate increase from the current price of \$120 per household should be considered.

In a similar manner, we need to establish a Parking Utility and completely overhaul the parking system throughout the City. The City lost \$70,000 last year on collecting parking fees when we should have a positive income of more than \$2 million dollars.

Aggressive In Rem Foreclosures

By the end of calendar year 2014 over 500 properties will appear on the In Rem Foreclosure list. Pursuant to financial agreement, redevelopment will return these properties to ratable status. Together with vacant land on the Tax Foreclosure List the CRDA properties could be available to potential developers, resulting in more attractive redevelopment opportunities.

3. REVENUE STABILIZATION

Establish of an Alternative Tax Payment for ten years for the gaming industry

Senate President Sweeney has proposed an alternate tax payment for the gaming industry. Starting last December, we met with the industry to discuss how to create a more definitive way to determine casino tax assessments, and ultimately a stable property tax payment process. There are several models on the table with different variables that include: cost of land, number of hotel rooms, and gross income including sub leases. This would be extremely logical and would allow each gaming property to know what their property tax would be each year. This would also help the City to know ahead of time what revenue to expect. The key is for this total value to equal the payment of the properties as we begin the 2015 year as a base. The 2015 rate is 60% of the total tax bill with 52% for the city budget, 38% for Board of Education and 11% for county budget. Without this change, the reduced assessment from the 201 casinos would seriously reduce the amount remaining casino properties will pay.

This base would be paid by New Jersey casinos and would vary based on expansion or contraction of the industry but the total would remain a variable to both the City and gaming properties. This would be tied to no more than a 2% increase annually by the City. This would require a ten to fifteen year period and would have to include a provision for no more tax appeals. This alone will stabilize the assessed values of the city, provide for predictable future taxes, and benefit from property taxes reduction in future years. A casino property tax stabilization bill has been introduced.

Addendum 5 – Casino Property Taxation Stabilization Act S2572

Redirection of Investment Alternative Tax

The gaming industry currently pays to CRDA an IAT that equals \$30 million dollars annually based on GGR of \$2.4 billion – 1.25% of Gross Gaming Revenue and 2.5% of

Internet Gross Gaming Revenue This funding should be diverted annually to the City budget for a fifteen year period designed specifically for debt service almost all of which was caused by tax appeals of the gaming industry over the past three years.

Addendum 5 – Allocation of the Casino Investment Alternative Tax S2575

Redirection of Atlantic City Alliance payments

Currently, the gaming industry is required for a period of five years to fund \$30 million paid to the Atlantic City Alliance for marketing the City and creating special events and subsidizing conventions. There are two years remaining and we recommend that the \$30 million annually be paid directly for reducing debt service to the city. The ACA currently funds several very successful events that produce more than 10,000 visitors as well as subsidizes convention bookings. These services are valuable to our city during this transition and we ask that this subsidy be continued by the City or CRDA.

Addendum 5 – CRDA public private partnerships S2576

Alternate Tax Plan for CRDA owned properties

Similar to an alternate tax payment for gaming properties and Stockton, serious consideration should be given to having the CRDA pay an Alternate Tax Payment for properties they own. CRDA currently provides this payment for land owned by CRDA in the Walk. Alternately, CRDA can work with the City and give away smaller parcels to future homeowners provided they build within two years and maintain a permanent residency for ten years.

We will have 500 new housing units start by Spring 2015 compare to only 51 homes built in the past five years. These vacant lots will provide new housing that will strengthen individual neighborhoods.

RECOMMENDATIONS OF THE SECOND HANSON REPORT

OTHER THAN THOSE SPECIFICALLY LISTED ABOVE

It should be obvious that the ten month report presented here includes and agrees with most recommendations from both Senate President Sweeney's and Jon Hanson's recommendations. Every proposed recovery plan only works when there is continued cooperation between all levels of government – City, County, and State. There is a great deal of overlap between all of our recovery plans. The areas listed below are things we think can help better achieve the objectives the other two reports strive to achieve.

We have experienced firsthand the actual day-to-day effects of the creation of the Tourism District as well as the decline in the gaming industry and those effects on the future growth of the City.

FIVE GROWTH PROJECTS

Establishing Stockton University Island Campus

This has been my Administration's desire since taking office. A university will be a major positive game changer for the City. We look forward to partnering with Stockton, their staff, and students in addressing the needs of our community and provide continuing education.

Demolition of Trump Plaza

This is the perfect time to remove this building, open up the Boardwalk and beach to the City, and create an inviting path between the Convention Center and Boardwalk Hall. This will create an exciting entertainment zone similar to Northern Liberties in Philadelphia, PA. This will also allow a more direct egress and ingress to the Pier at Caesar's with a circular drive and elevator connecting directly with the Pier.

Medical School

With the merger of Atlanticare and Geisenger, a medical school and housing would be the perfect fit for the block next to the hospital and be another game changer for the growth of Atlantic City.

Office Complex

A large office complex at the old high school site with first floor retail would be a good addition and it would also create new economic opportunity for the Albany Avenue corridor.

Gardner's Basin

A condemnation appraisal on the Gardner's Basin and the bringing together of 22 acres will create the Seaport Village that will be another reason to visit Atlantic City. The City should be ready with a Request for Proposal (RFP) this spring. There is funding already in place to assist with this project. The Boardwalk will meet the Basin by the end of 2016, and this would be perfect timing for an expanded Basin experience for the 2017 season. At the same time, we should continue to pursue the five acres next to the Golden Nugget for a cruise port. The inlet needs very little dredging but the area between the mouth and extending out to sea will require dredging. Coordinating this project with future beach replenishment should be pursued. Relocating the current Coast Guard station along with a water taxi should be explored.

Expanding Tourism District to entire city

It is our view that this will not have achieved the objective of making Atlantic City more "clean and safe". Currently, the CRDA funds the cleaning of the street, sidewalks,

landscaping in the Tourism District and the City does the same for the Residential District. Since January, services are comparable in both Districts as is the price. Expanding the Tourism District and taking on the "clean and safe" of the entire city would double the cost of the CRDA SID and is unnecessary. There currently is no duplication of service between CRDA and the City.

OTHER ISSUES RAISED BY THE GOVERNOR'S SUMMIT

CRDA Land Use and confusion in the Tourism District

While well intentioned, this has not achieved the desired effect of cutting through red tape and expediting development. The Steel Pier's proposed 200-foot Observation Wheel permitting took an entire year through the CRDA process. For an Atlantic City home owner wanting to add a simple 10' by 20' garage to his property, the process took over 6 months and added almost \$6,000 in engineering cost. The lighting program for the Boardwalk has come to a standstill as CRDA is requiring every property within 200 feet of every light pole to be included in meetings. One of the services the City of Atlantic City used to perform well was land use. Taking this away from the City was a mistake. Most importantly, it removes residents from the process. Here are 5 reasons why we believe this function should be returned to the City:

1. Planning is inherently a municipal process – there should be one master plan, one zoning ordinance, one City
2. There is a lack of local residents' input in CRDA's decision making process
3. Having an additional government entity involved in the development approval process adds cost, time and makes things more complicated
4. The TDMP is not compliant with Municipal Land Use Law which requires a land use element and housing element to adopt zoning
5. The separation of land use responsibilities between the City and CRDA fractures progress and continuity

Code Enforcement

As mentioned early, we have a new Licensing and Inspection Director who is aggressively cleaning up code enforcement, mercantile and construction departments with excellent results.

Code enforcement for buildings with more than 3 units is the responsibility of the state DCA. Currently, the State pays the city \$80,000 to perform these duties. To perform this activity at a high and efficient level, three full-time Inspectors are necessary. We recommend that the State take the responsibility of code enforcement for buildings with more than 3 units. This would allow the City's code enforcement department to fully concentrate on the areas that make the most impact in regards to promoting a clean and safe environment - rooming houses, rentals and vacant space.

Mercantile Inspectors

The current Inspectors are not taken serious enough. We recommend eliminating the mercantile officers and have ACPD provide enforcement with Class II Officers.

Emergency Manager

We are 100% against having an emergency manager installed in Atlantic City.

The State of New Jersey has a similar position to the “Emergency Manager” the State of Michigan has, except with a different title. In New Jersey it’s called a “State Monitor”. We already have a State Monitor and his name is Ed Sasdelli. Mr. Sasdelli works directly for the Division of Local Government Services in the Department of Community Affairs. While we may not always agree with the State Monitor, we value his opinion and have, in all cases, found a way to work cooperatively and productively. This is the type of relationship the City needs right now is providing excellent results. Creating an “Emergency Manager” would be another unnecessary level of government; essentially it would be a monitor to monitor our State Monitor. We do not believe this would be a very effective way to govern our City.

We recommend creating a State Monitor for the Atlantic City School District under the New Jersey Department of Education. School districts and municipalities are quite different and each requires a specialist to assist in lowering costs. A supplemental school aid bill has been introduced and calls for a state monitor.

Addendum 5 – Supplemental State School Aid bill

Regionalization and privatization

Both are good if they provide quality services at a lower price or if the City is incapable of providing quality services. But simply choosing one department over another does not make sense. Nor does it make sense for a department that agrees to meet all the financial requirements and provide good services be disbanded simply for the sake of regionalization. Within the next few years, Atlantic City will be leading the State in regionalization but it will be based on the best service at the lowest price.

AC Development Corporation

Currently, both the CRDA and the Atlantic County Improvement Authority are serving as the Development Corporation and are funded. Should an AC DevCo be formed to coordinate new growth then we recommend that the other agencies assigned these responsibilities should eliminate this function. Since everyone agrees property tax stabilization is our first priority, funding this corporation should not defer from property tax relief.

CRDA, Casino Control Commission, and Division of Gaming Enforcement

Set the example that everyone else is making with the economic downturn and reduction in gaming properties. Reduce the cost and staffing at these state agencies in the City.

Grow NJ and Economic Redevelopment and Growth (ERG) Program

These two funding programs will reinvent and spur economic activity Atlantic City. We recommend that CRDA become the face of the State in Atlantic City in providing assistance with this funding. This funding goes beyond any funding that is currently available by CRDA, and this agency does a commendable job with vetting new economic growth.

Demolition

The City will continue to coordinate through the County and ACIA. ACIA is not required to pay tipping fees and therefore the City will save 45% of the cost of demolition.

2012 - 9 buildings were demolished by the City

2013 - 17 buildings were demolished by the City

2014 - 31 buildings have been demolished as a direct result of the City's action against them and 26 properties are under consideration for hearings for demolitions

CONCLUSION

Clearly, property taxes are the major obstacle for progress in Atlantic City. Working together with all levels of government, the private sector, and our residents, we can have a budget that is sustainable long-term and will attract much needed business and residential development within four years.

Atlantic City is not a burden on the State of New Jersey. Atlantic City remains the Golden Goose of the Garden State but she is currently wounded. We need temporary help over the next few years. The future of Atlantic City, Atlantic County, South Jersey, and the entire State of New Jersey depends on it. I am fully confident that by working together and doing what's best for Atlantic City, our glory days are still ahead of us.

ADDENDUM 1

CITY RETIREMENTS 2014			
#	MONTH	TITLES	SALARY
1	March	Police Captain	\$ 158,874.51
2	December	Clerk 1	\$ 44,897.64
3	June	Sr Public Safety Telecommunicator	\$ 81,316.80
4	June	Police Officer	\$ 102,549.88
5	7/1/2014	HEALTH AIDE	\$ 30,362.21
6	October	Battalion Fire Chief	\$ 144,418.21
7	8/19/2014	FIRE FIGHTER	\$ 83,261.31
8	April	Zoning Officer	\$ 49,255.75
9	November	Bldg Service Worker	\$ 38,656.10
10	December	Sr. Reg Environmental Health Specialist	\$ 77,393.90
11	Jan-15	Keyboarding Clerk 2	\$ 62,046.63
12	7/18/2014	RECREATION CTR. DIR	\$ 40,755.99
13	December	Administrative Clerk	\$ 66,734.37
14	February	Laborer	\$ 35,116.93
15	December	Pension Fund Supervisor	\$ 53,931.38
16	March	Battalion Fire Chief	\$ 145,743.14
17	August	Administrative Analyst	\$ 85,697.95
18	Jan-15	School Guard	\$ 18,886.64
19	November	Executive Assistant	\$ 75,835.80
20	December	Keyboarding Clerk 3	\$ 64,984.50

21	December	Health Officer/HHS Director	\$ 146,287.14
22	November	FIRE FIGHTER	\$ 104,149.18
23	December	Principal Reg Environmental Health Specialist	\$ 89,300.65
24	December	Boardwalk Supt.	\$ 95,162.12
25	December	Laborer	\$ 45,194.06
26	December	Keyboarding Clerk 3	\$ 66,628.69
27	November	Food Service Worker	\$ 42,698.47
28	March	Police Officer	\$ 121,239.84
29	December	Supervisor of Sanitation	\$ 73,167.48
30	December	Road Repair Supt.	\$ 81,623.54
31	October	Keyboarding Clerk 2	\$ 60,404.50
32	December	Supervisor Building Service	\$ 53,780.79
33	Jan-15	Officer Supervisor	\$ 79,193.17
34	August	Battalion Fire Chief	\$ 145,743.15
35	11/18/2014	LABORER	\$ 22,000.00
36	Jan-15	Deputy Mun Court Administrator	\$ 55,008.86
37	September	Traffic Signal Tech 1	\$ 57,356.09
38	December	Contract Administrator 1	\$ 85,438.69
39	December	Office Supervisor	\$ 85,147.38
40	8/29/2014	MUNICIPAL ENGINEER	\$ 119,021.76
41	January	Traffic Control Officer	\$ 32,421.01
42	July	Fire Captain	\$ 126,612.34
43	December	Building Maintenance Worker	\$ 61,788.81

44	December	Municipal Emergency Management Coordinator	\$ 74,295.94
45	May	FIRE FIGHTER	\$ 104,000.89
46	December	General Supervisor Sanitation	\$ 81,839.80
47	August	Building Maintenance Worker	\$ 59,553.68
48	10/24/2014	BLDG MAINTENANCE WKR	\$ 29,913.25
49	Jan-15	Supvg Public Safety Telecommunications	\$ 81,877.40
50	Jan-15	Asst. Personnel Director	\$ 79,766.43
51	Jan-15	Secretarial Assistant	\$ 59,461.04
52	March	FIRE FIGHTER	\$ 112,157.83
53	9/16/2014	LABORER	\$ 24,280.44
54	September	Municipal Court Attendant	\$ 38,896.11
55	July	Battalion Fire Chief	\$ 145,743.14
56	December	Keyboarding Clerk 1	\$ 53,831.49
57	December	Supervisor Senior Citizens	\$ 76,234.59
58	10/24/2014	SANITATION INSPECTOR	\$ 36,428.25
59	December	Police Officer	\$ 106,419.69
60	Jan-15	Public Safety Telecommunicator	\$ 69,763.14
61	May	Battalion Fire Chief	\$ 143,093.26
62	December	Motor Broom Operator	\$ 65,139.66
63	December	Fire Captain	\$ 118,481.27
64	June	Deputy Fire Chief	\$ 157,521.85
65	September	Police Sgt.	\$ 132,151.43
66	December	Keyboarding Clerk 1	\$ 60,311.87

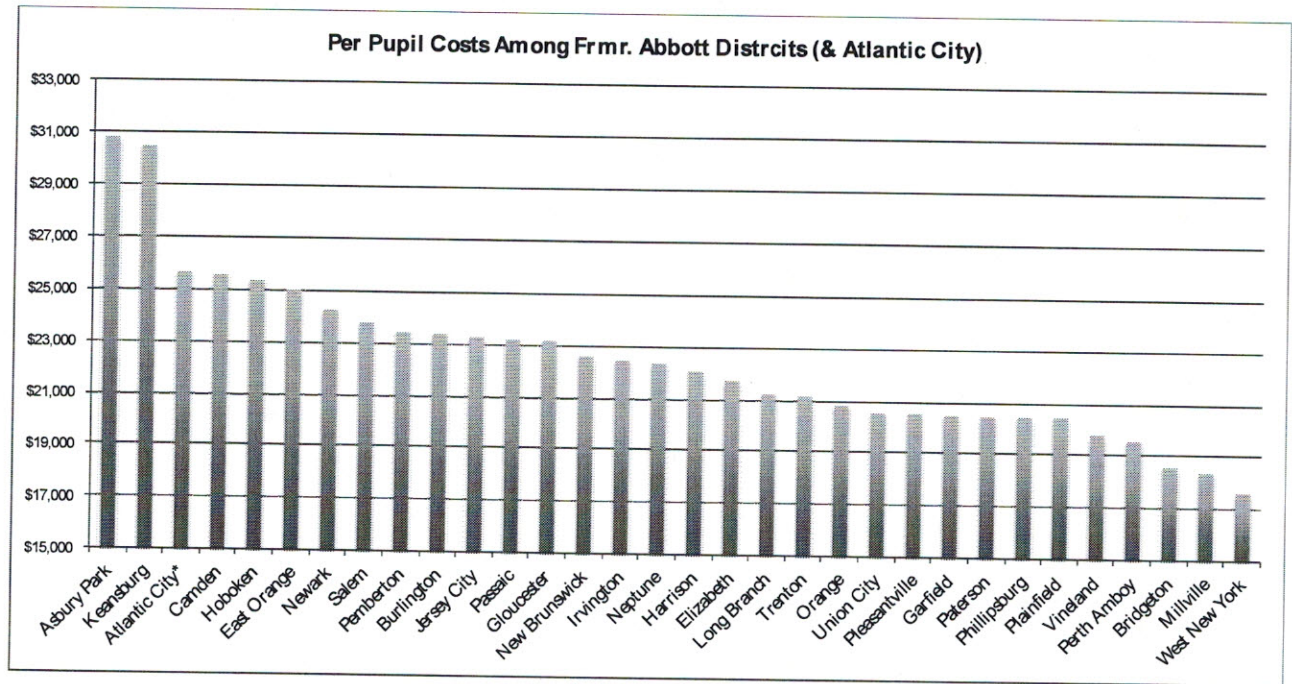
67	December	Building Service Worker	\$ 32,348.06
68	9/18/2014	FIRE FIGHTER	\$ 91,685.40
69	December	Office Supervisor	\$ 68,703.85
70	August	Police Sgt.	\$ 121,239.84
71	Jan-15	Sr. Public Safety Telecommunicator	\$ 73,885.05
72	August	Clerk 3	\$ 45,316.05
73	August	FIRE FIGHTER	\$ 101,961.60
74	7/14/2014	FIRE FIGHTER	\$ 100,219.01
75	October	Battalion Fire Chief	\$ 144,418.20
76	7/25/2014	RECREATION CTR. DIR	\$ 12,810.00
77	May	Fire Captain	\$ 118,481.27
78	January	Data Entry Machine Operator	\$ 46,278.62
79	December	Supervisor Radio Maintenance	\$ 74,818.55
80	May	Fire Captain	\$ 125,450.76
81	November	Investigator of Public Works	\$ 65,084.31
82	December	Social Worker Health	\$ 81,393.79
83	December	Plumbing Sub Code Officer	\$ 102,070.53
84	December	Keyboarding Clerk 2	\$ 50,098.98
85	September	Supervisor Traffic Maintenance	\$ 67,119.33
86	Jan-15	Planning Director	\$ 100,894.72
87	June	Battalion Fire Chief	\$ 144,418.20
88	December	Police Aide	\$ 53,638.30
89	Jan-15	Asst. Violation Clerk	\$ 64,512.08

90	December	Building Superintendant	\$ 48,499.15
91	October	Recreation Supervisor	\$ 53,661.46
92	Jan-15	Supvg Equipment Supvg Mechanic	\$ 68,886.97
93	Jan-15	Rec Spec Weight Room	\$ 48,341.41
94	December	SANITATION INSPECTOR	\$ 45,184.75
95	December	Clerk 2	\$ 59,617.07
96	Jan-15	Clerk 2	\$ 51,191.27
97	December	Senior Sanitation Inspector	\$ 83,329.50
98	Jan-15	FIRE FIGHTER	\$ 101,961.64
99	December	Clerk 1	\$ 50,429.86
100	9/23/2014	FLD REP DISEASE CONT	\$ 42,567.74
101	10/21/2014	CLERK 1	\$ 67,238.61
102	December	Principal Reg Environmental Health Specialist	\$ 89,300.65
103	September	Laborer	\$ 30,749.97
104	December	Public Safety Telecommunicator	\$ 68,788.91
105	Jan-15	License Inspector	\$ 31,633.00
106	December	Chief Regulator Environmental Health Specialist	\$ 99,137.12
107	November	Deputy Tax Assessor	\$ 83,828.82
108	December	Supervising Electrician	\$ 55,439.39
109	June	Supervisor Towing Operator	\$ 52,672.05
110	February	Fire Captain	\$ 127,773.92
111	February	Senior Account Clerk	\$ 71,240.51
112	December	Senior Account Clerk	\$ 64,877.76

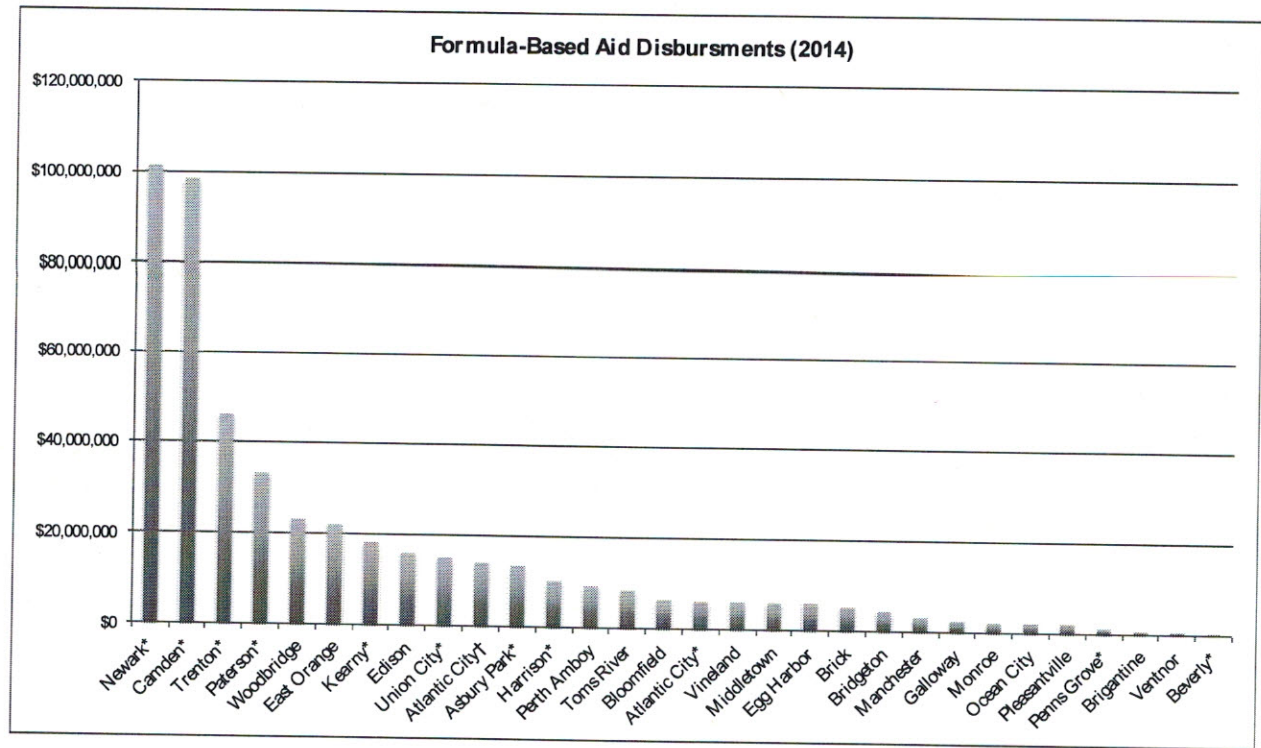
113	August	Plumber	\$ 67,016.92
114	July	Keyboarding Clerk 2	\$ 65,935.62
115	December	Deputy Emergency Management Coordinator	\$ 87,354.06
116	December	Administrative Secretary	\$ 69,572.59
117	December	Traffic Analyst	\$ 51,620.54
118	July	Boiler Operator	\$ 34,906.60
119	December	Battalion Fire Chief	\$ 141,768.32
120	December	Building Service Worker	\$ 52,291.05
121	March	Police Officer	\$ 102,627.27
122	December	Clerk 4	\$ 62,986.85
123	May	FIRE FIGHTER	\$ 111,138.20
124	Jan-15	Secretarial Assistant	\$ 67,830.15
125	8/15/2014	ASST MUN PROSECUTOR	\$ 46,540.00
126	November	Traffic Maintenance Worker	\$ 63,670.45
127	February	FIRE FIGHTER	\$ 110,118.57
128	December	Supervisor of Accounts	\$ 86,970.16
129	March	Police Sgt.	\$ 124,876.81
130	Jan-15	Senior Payroll Clerk	\$ 46,705.30
131	November	Plumber	\$ 41,872.19
132	February	FIRE FIGHTER	\$ 111,138.20
133	April	Site Manager Nutrition Site	\$ 66,788.47
134	August	Maintenance Worker 1 Grounds	\$ 34,035.09
135	December	Building Maintenance Worker	\$ 43,306.36

136	June	Officer Supervisor	\$ 66,976.79
137	March	Fire Captain	\$ 127,773.92
138	September	Fire Captain	\$ 125,450.76
139	10/7/2014	CLERK 1	\$ 22,440.00
140	March	School Guard	\$ 18,886.64
			\$ 10,657,045.72
		Increase Salary Savings by 18%	\$ 1,918,268.23
		GRAND TOTAL	\$ 12,575,313.95

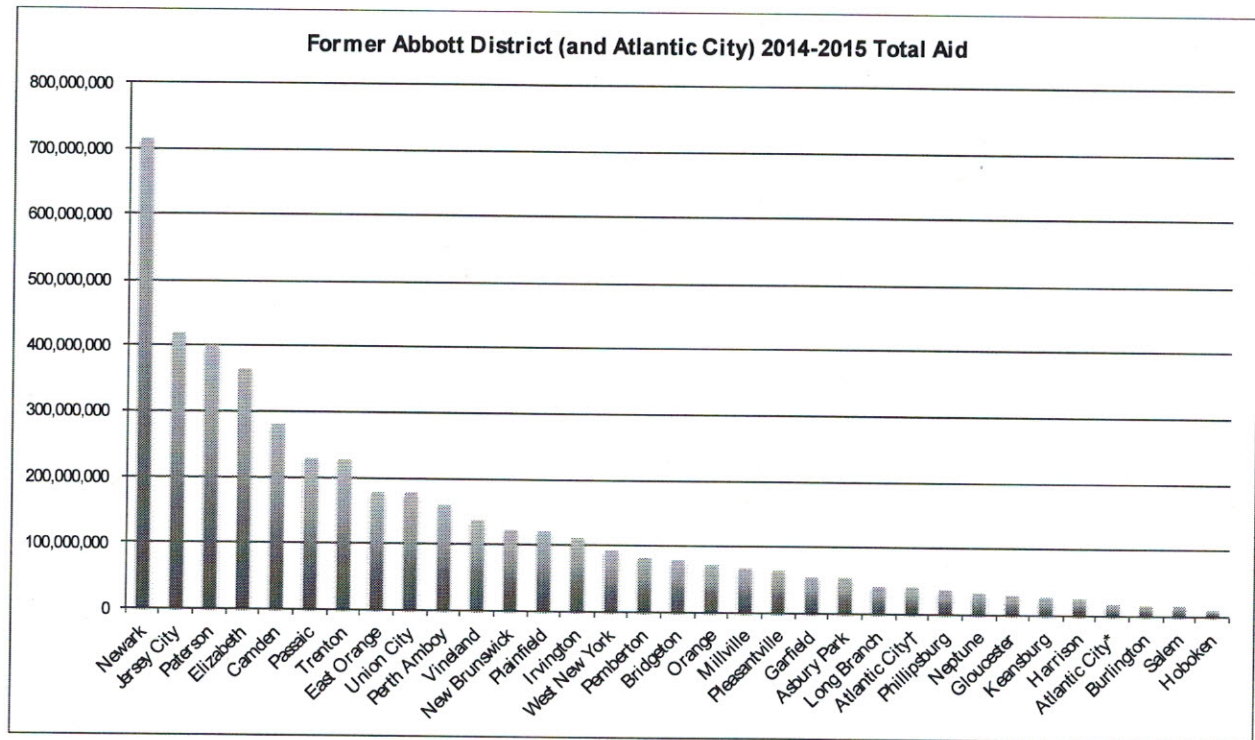
ADDENDUM 2



ADDENDUM 3



ADDENDUM 4



ADDENDUM 5

S2572

“Casino Property Taxation Stability Act”

http://www.njleg.state.nj.us/2014/Bills/S3000/2572_I1.PDF

S2575

“Reallocates casino investment alternative tax to Atlantic City to pay debt service on municipal bonds issued”

http://www.njleg.state.nj.us/2014/Bills/S3000/2575_I1.PDF

S2576

“Removes provisions of law relating to Atlantic City Alliance”

http://www.njleg.state.nj.us/2014/Bills/S3000/2576_S1.PDF

S2574

“Authorizes supplemental State aid to school districts in municipality with significant decrease in commercial property valuation; makes appropriation”

http://www.njleg.state.nj.us/2014/Bills/S3000/2574_I1.PDF