

Pleasantville's UEZ designation helps three businesses relocate

VINCENT JACKSON Staff Writer

PLEASANTVILLE — Benjamin Franklin Plumbing, One Hour Heating & Air Conditioning and Mister Sparky Electric would not have new homes without the benefits of the city's designation as an Urban Enterprise Zone.

All three businesses have been operating under one roof for the last month at North Franklin Boulevard.

The Urban Enterprise Zone (UEZ) designation decreased the amount of money the companies had to put down as a down payment to buy the building and the land where they now operate, said David Pomales, owner and general manager of One Hour Heating & Air Conditioning.

With the purchase of the land and the building together with the build out to create the interior space for all three businesses, the project cost at least \$500,000.

“The UEZ tax exemptions (also) gave us tremendous support when it came to doing the actual build out,” said Pomales, who added the UEZ designation allows companies to receive tax breaks on supplies. “Everything you see in this location has been a part of the UEZ program, which saved us a tremendous amount of money.”

Growing businesses, such as Benjamin Franklin Plumbing, are the reason why Mayor Jesse L. Tweedle Sr. would like the city's designation as a UEZ zone extend beyond its expiration date of March 7, 2026.

Tweedle would also like to see money put back into the state's UEZ fund so that it could help fund such large projects as the City Center and Cambria Industrial Park, like it did in the past.

The UEZ designation allows qualified merchants to charge only 3.3125 percent sales and use tax rate instead of the current 6.625 percent.

Former Gov. Chris Christie was against UEZs and vetoed extending its state status for the original five charter communities, which included Bridgeton, whose UEZ expiration date was Dec. 31, 2016.

In May, Gov. Phil Murphy signed legislation to reinstate UEZs in five cities in the state, including Bridgeton, through 2023, but the legislation also requires a comprehensive analysis of the program.

Stanley Swan Jr., owner of Benjamin Franklin Plumbing, said this is the second time his business has benefited from a UEZ.

In 1927, the business started as Swan Plumbing in Ventnor and moved in 1980 to the city. The UEZ assisted with the company's move in 2007 from Main Street to the Cambria Avenue Industrial Park.

The UEZ designation helped with tax exemptions for all the company's purchases when it relocated into Cambria, said Samantha Swan, Benjamin Franklin Plumbing's general manager.

“Without UEZ, that building (Cambria) wouldn’t exist. That was a UEZ-funded project,” said Stanley Swan, who added the company was in Cambria until its recent move to North Franklin Boulevard.

Nick Droboniku said he and two partners, Mike Adkins and the late Matthew Feinstone, developed the Cambria Industrial Park.

The 17-acre Cambria site had been vacant for about 30 years. First, the state’s New Jersey Redevelopment Authority approved a \$1 million grant in 2001 to redevelop the former city dump. Then, the UEZ closed on a \$1.75 million loan with Droboniku and his partners to construct the \$7 million project of industrial warehouses and offices.

“It was successful,” said Droboniku, who added the UEZ turned the property into a ratable for the city.

UEZs have been criticized for hurting neighboring municipalities trying to compete with business districts that offer the lower sales tax and eliminating sales tax revenue, which has an impact on the state budget and taxpayers.

Despite the opposition, Tweedle said he is still a supporter of UEZs.

Pleasantville businesses that have benefited from the UEZ designation include AC Linen, Johnstone Supply and Billows Electric Supply, Tweedle said.

During the 23 years the city has had an UEZ designation, 300 businesses have taken advantage of the benefits, and the current number of UEZ businesses operating in the city is 120, said Jacqueline Amado-Belton, the city’s redevelopment assistant.