

# CRDA

Casino Reinvestment Development Authority



CASINO REINVESTMENT  
DEVELOPMENT AUTHORITY  
15 SOUTH PENNSYLVANIA AVENUE  
ATLANTIC CITY, NJ 08401

MINUTES – PUBLIC MEETING 16-15  
December 20, 2016

**PRESIDING:** Vice-Chair, Robert Mulcahy

**PRESENT:** Debra DiLorenzo, Edward Gant, Mark Giannantonio, Michael I. Hanley, Gary Hill, Howard Kyle, Matthew Levinson, William Mullen, David Rebeck for Christopher S. Porrino, Robert Shaughnessy for Ford M. Scudder, John Terry for Charles A. Richman, Richard Tolson

**ABSENT:** Mayor Don Guardian, Frank Spencer

**STAFF:** John F. Palmieri, Lisa Britt, Dawn Hinton, Christopher Howard, Roz Kincaid, Lance Landgraf, Thomas Meehan, Oriana Mondragon, Donna Pless, Bunny Rixey, Rick Santoro, Paul G. Weiss, Esq., Carl Wentzell

**OTHER ATTENDEES:** Mary Maples, Governor's Authority Unit

## **OPENING STATEMENT**

The meeting was called to order by the Chair at 2:00 pm. Ms. Britt read a statement of compliance with the notice requirements of the Senator Byron M. Baer Open Public Meetings Act and called the roll.

## **RATIFICATION OF THE MINUTES OF NOVEMBER 15, 2016**

The Chair requested a motion to approve the minutes of the November 15, 2016 Members' Meeting. A motion was made by Mr. Tolson and seconded by Mr. Mullen. Resolution 16-137 was approved by the unanimous vote of the members.

## **EXECUTIVE DIRECTOR'S REPORT.**

No report.

## **TREASURER'S REPORT (Deferred)**

## **LAND USE REGULATION AND ENFORCEMENT**

### **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A CERTIFICATE OF NONCONFORMITY FOR MARY PAOLILLO UNDER APPLICATION 2016-10-2083**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion. In response to the Acting Chair's inquiry about the need for the certificate, Mr. Landgraf outlined the applicant's plan to obtain building permits from the City for certain construction. Hearing no further member



discussion, the Acting Chair opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Hill. Resolution 16-139 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING BULK VARIANCE RELIEF FOR THE CONSTRUCTION OF A DETACHED SINGLE FAMILY DWELLING ON PROPERTY LOCATED AT 9 LIBERTY TERRACE IN ATLANTIC CITY, NEW JERSEY, BLOCK 339, LOT 18, UNDER APPLICATION 2016-09-2048**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion. Mr. Mulcahy inquired if the home was destroyed in Super Storm Sandy. Mr. Landgraf replied in the affirmative, and indicated that the applicant was proposing a small expansion of a deck. In response to Mr. Rebeck's inquiry about any neighbors' objecting during the Land Use Hearing, Mr. Landgraf replied that neighbors did not raise any objections during the Hearing. Hearing no further member discussion, the Acting Chair opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Hanley. Resolution 16-140 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING BULK VARIANCE RELIEF FOR THE CONSTRUCTION OF A DETACHED SINGLE FAMILY DWELLING ON PROPERTY LOCATED AT 119 NORTH GEORGIA AVENUE IN ATLANTIC CITY, NEW JERSEY, BLOCK 338, LOT 13, UNDER APPLICATION 2016-09-2050**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion. Mr. Tolson inquired if the property will be used as the owner's primary residence or if the owner's intend to rent the property. . Mr. Landgraf replied that the applicants live in the property. Hearing no further member discussion, the Acting Chair opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Tolson. Resolution 16-141 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING VARIANCE RELIEF FOR THE CONSTRUCTION OF A NEW 3.5 STORY RESIDENTIAL DUPLEX ON PROPERTY LOCATED AT 206 SOUTH VERMONT**

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## **AVENUE, ATLANTIC CITY, NEW JERSEY, BLOCK 74, LOT 3, UNDER APPLICATION 2016-08-2029**

This matter having been tabled at the November regular meeting was read for further consideration by the governing body. The Resolution was read by title. Mr. Palmieri described the proposed action, and asked Mr. Landgraf, the Authority's Land Use Hearing Officer to review the application. After Mr. Landgraf's presentation, the Acting Chair requested member discussion. The members discussed the application and questioned Mr. Landgraf about allowable uses in the zone and whether the request for a use variance was consistent with the Authority's Master Plan, the proposed amendments thereto, and the Urban Land Institute ("ULI") findings concerning future development of this part of the City. Mr. Landgraf stated that the existing City zoning scheme, "Resort-commercial," does not permit the proposed residential use, but that the Authority's Master Plan, the proposed amendments thereto and the ULI findings allow for several mixed uses, including residential in the South Inlet area. Some members expressed concern that allowing a non-conforming use, as defined in the City's current zoning scheme may negatively affect future non-residential development in this area of the City.

In response to members' inquiry concerning the timing of the Authority's amendments to the Tourism District Master Plan (which include housing and land use elements), Mr. Landgraf indicated that he would be prepared to review the proposed amendments with the Development Committee in January of the coming year.

Mr. Landgraf further stated that land use decisions don't necessarily make a finite precedent, and that every case stands on its own merits.

Mr. Rebeck inquired about the process for adopting Authority land use regulations. Mr. Landgraf and Mr. Weiss, reviewed the procedures necessary to adopt regulations, which would be advanced once the members evaluated the proposed Master Plan amendments.

The Acting Chair recognized Mr. Michael Learn, Esq., of Callaghan Thompson & Thompson, counsel for the applicant. Mr. Learn stated that the proposed development was uniquely located adjacent to a thriving retail establishment, would be complimentary to the neighborhood, and approval would not set a precedent that would forestall future non-residential development.

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In response to Mrs. DiLorenzo's question about whether the property would be owner occupied, Attorney Learn introduced Mr. Sheldon Grace, the developer, who stated that he intended to sell the property once construction is completed. Mr. Giannantonio expressed support for the developer's willingness to invest in the City, but he also expressed concern given the current state of City affairs. Attorney Learn indicated that he understood the Board's concerns and, after consulting with his client, may be amenable to permitting the Authority additional time to consider the application.

The Acting Chair asked for public comment. Mr. Cheatham expressed his support for the application. Upon hearing no further public comment, the Acting Chair asked the members how they wished to proceed. Ms. DiLorenzo made a motion to approve the application. The motion was seconded by Mr. Kyle. The measure did not pass by a vote of 5-8, upon which the Acting Chair in discussion with the applicant's counsel and the members proposed a 60-day extension of the application to the February 21, 2017 Regular Meeting of the Authority, so as to allow time for reconsideration of the application. Upon the agreement of the applicant, the Acting Chair asked for a motion to carry the action to the February 21, 2017 Regular Meeting of the Authority, pending further consideration of the Authority's proposed Master Plan amendments and additional fact finding, if any, pertaining to the application. Mr. Rebuck made a motion, which was seconded by Mr. Hill. The motion passed by unanimous vote of the members.

**ITEMS LISTED BELOW HAVE BEEN REVIEWED AND RECOMMENDED BY COMMITTEE FOR MEMBER APPROVAL**

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING AMENDED PROJECT APPROVAL TO THE BORGATA NIGHT CLUB EXPANSION PROJECT**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion. Mr. Gant raised several questions concerning public access and the estimated number of new visits to the City based on the proposed new Beer Garden amenity. In response, Mr. Jack Plackter, Esq., counsel for the Borgata, replied that the amenity would be open to the general public, and then introduced Mr. Corey Morowitz from Morowitz Gaming Advisors, who presented the Borgata Hotel, Casino & Spa Second Addendum to Market Study to set forth the bases upon which the proposed amendment satisfies the Authority's requirements. Hearing no further member discussion, the Acting Chair opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was

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made by Mr. Rebeck and seconded by Mr. Tolson. Resolution 16-142 was approved by unanimous vote of the members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A TEMPORARY 2017 OPERATING BUDGET FOR MEET AC, INC**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Shaughnessy. Resolution 16-143 was approved by unanimous vote of the members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE AWARD OF A CONTRACT BY SPECTRA VENUE MANAGEMENT TO KHS&S CONTRACTORS OF NEW JERSEY, INC FOR THE PURCHASE AND INSTALLATION OF AUTOMATIC DOOR OPENERS FOR THE ATLANTIC CITY CONVENTION CENTER**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Gant and seconded by Mr. Kyle. Resolution 16-144 was approved by unanimous vote of the members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY EXTENDING THE ATLANTIC CITY CONVENTION AND VISITORS AUTHORITY FOOD SERVICES CONTRACT WITH OVATIONS FOOD SERVICES, LP UNTIL MARCH 31, 2017**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Shaughnessy. Resolution 16-145 was approved by unanimous vote of the members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDED A TWO YEAR SERVICE CONTRACT TO SP PLUS CORPORATION D/B/A/ SP+ MUNICIPAL SERVICES FOR MANAGEMENT, OPERATIONS AND MAINTENANCE SERVICES FOR THE CORRIDOR PARKING GARAGE, ALL IN FURTHERANCE OF THE CORRIDOR PARKING GARAGE PROJECT**

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The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. In response to Mr. William Cheatham's inquired about the money being generated from the parking lot, Mr. Mulcahy stated that the revenues from the garage funded operational costs and debt service on bonds issued to fund construction. Hearing no further public comment, the Acting Chair requested a motion. A motion was made by Mr. Gant and seconded by Mr. Giannantonio. Resolution 16-146 was approved by unanimous vote of the members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY REJECTING ALL PROPOSALS RECEIVED IN RESPONSE TO THE ASBESTOS ABATEMENT SERVICES SOLICITATION**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Hanley. Resolution 16-147 was approved by unanimous vote of the eligible members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDING PROFESSIONAL SERVICES AGREEMENTS TO BRINKERHOFF ENVIRONMENTAL SERVICES, INC AND REMINGTON, VERNICK AND WALKBERG ENGINEERS, INC TO PROVIDE ENVIRONMENTAL CONSULTING SERVICES ON AN AS-NEEDED BASIS FOR A ONE YEAR PERIOD ENDING DECEMBER 31, 2017**

The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Gant and seconded by Mr. Kyle. Resolution 16-148 was approved by unanimous vote of the eligible members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A ONE-YEAR EXTENSION OF THE PROFESSIONAL ENGINEERING AND PLANNING SERVICES AGREEMENTS WITH ADAMS, REHMAN & HEGGAN AND INSITE ENGINEERING, LLC TO PROVIDE LAND USE ENGINEERING AND PLANNING SERVICES ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2017, WITH A FUND RESERVATION IN AN AGGREGATE AMOUNT NOT TO EXCEED \$170,000**

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The Resolution was read by title. Mr. Palmieri described the proposed action. The Acting Chair requested member discussion, and upon hearing none, opened the matter for public comment. Upon hearing no public comment, the Acting Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Giannantonio. Resolution 16-149 was approved by unanimous vote of the eligible members.

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY RECOGNIZING EXECUTIVE DIRECTOR JOHN F. PALMIERI**

The Acting Chair read the resolution. Mr. Mulcahy thanked Mr. Palmieri for his years of service to the Authority. A motion was made by Mr. Gant and seconded by Mr. Tolson. Resolution 16-138 was approved by unanimous vote of the members.

### **PUBLIC COMMENT**

Mr. Cheatham wished Mr. Palmieri the best in his future endeavors and wished the Board and staff a happy holiday.

Upon hearing no further public comment, the Acting Chair requested reading of the following Resolution:

### **EXECUTIVE SESSION**

## **RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING AN EXECUTIVE SESSION TO DISCUSS CONTRACT NEGOTIATIONS AND PENDING LITIGATION MATTERS**

The resolution was read by title. Mrs. DiLorenzo recused herself. The Acting Chair requested a motion to go into the executive session portion of the meeting. A motion was made by Mr. Tolson and seconded by Mr. Levinson. Resolution 16-150 was approved by unanimous vote of the eligible members.

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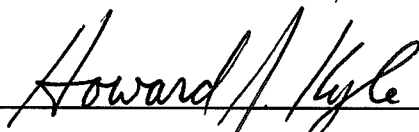
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## CERTIFICATION

I, HOWARD J. KYLE, Secretary of the Casino Reinvestment Development Authority, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Minutes of the Open Session of the Casino Reinvestment Development Authority conducted on:

December 20, 2016



Howard J. Kyle

HOWARD J. KYLE, SECRETARY