

**CASINO REINVESTMENT DEVELOPMENT AUTHORITY
1014 ATLANTIC AVENUE
ATLANTIC CITY, NJ 08401**

**MINUTES – PUBLIC MEETING 12-05
April 17, 2012**

PRESIDING: Chair, James Kehoe

PRESENT: Bob Bartolone for Commissioner Richard Constable, Debra DiLorenzo, Richard Dressel, Edward Gant, Robert Garrison, Robert Griffin, Linda Kassekert, Howard Kyle, Mayor Lorenzo Langford, Robert Mulcahy, David Rebeck for Attorney General Jeffrey Chiesa, Nicholas Ribis, Robert Shaughnessy for State Treasurer Andrew Sidamon-Eristoff, Frank Spencer

ABSENT: Gerald Owens

STAFF: John F. Palmieri, Susan Ney Thompson, Val Berzins, Paul G. Weiss, Esq., Don Guardian, Thomas Meehan, Bunny Rixey, Ali Reynolds, Kim Butler, Sharon Dickerson, Roseann Lafferty, Lisa Risteski, Heather Walls

OTHER ATTENDEES: Brett Tanzman, Governor's Authorities Unit, Jeremy Ostow, Esq., Bond Counsel, Steve Petrecca, Assistant State Treasurer

OPENING STATEMENT

The meeting was called to order by the Chair at 2:00pm. Ms. Risteski 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 March 20, 2012

The Chair requested a motion to approve the minutes of the March 20, 2012 Members' Meeting. A motion to approve the minutes was made by Mr. Dressel and seconded by Mr. Spencer. Resolution 12-51 was approved by unanimous vote of the members.

TREASURER'S REPORT

The Chair asked the members to review the Treasurer's report. A motion to approve and file the report was made by Mr. Kyle and seconded by Ms. Kassekert. The Treasurer's report was approved and adopted by unanimous vote of the members.

EXECUTIVE DIRECTOR'S REPORT

Mr. John Palmieri reported on the hiring of the summer ambassadors for the Special Improvement District. Mr. Palmieri stated that 45 of the 60 ambassadors have been hired and are currently being trained to handle the responsibilities of their position. Following the members' consideration of an amendment to the District budget at the May regular meeting, the Authority intends to hire an additional 15 ambassadors, thereby quadrupling from last year the number of ambassadors servicing the District.

Mr. Palmieri further reported on the new marketing campaign released by the Atlantic City Alliance ("ACA"). The "DO AC" campaign kicked off yesterday, and it will primarily target the east coast, mid-Atlantic markets promoting the City through television, radio, print and social networking media. Mr. Palmieri indicated that Ms. Liza Cartmell, President of the ACA plans to attend the Authority's meetings to update the members on the progress of the campaign.

Mr. Palmieri also notified the public in attendance at the meeting that the Authority will be moving to new offices at the Pennsylvania Avenue firehouse, 150 South Pennsylvania Avenue, over the next few days and that phone messages may be left by calling the Authority's Special Improvement District number at 609-344-8338.

CONSENT AGENDA: The Chair introduced the following consent agenda items.

LAND USE REGULATION AND ENFORCEMENT

The Chair explained that these matters were the subject of public hearings before the Authority's Land Use Regulation and Enforcement Division, and that the Hearing Officer's report and recommendation has been provided to the members.

- 1. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY ENDORSING THE DEVELOPMENT PLAN OF THE ATLANTIC CAPE COMMUNITY COLLEGE UNDER APPLICATION 2012-12-233 PURSUANT TO N.J.S.A. 40:55D-31 OF THE MUNICIPAL LAND USE LAW**
- 2. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING PRELIMINARY AND FINAL SITE PLAN APPROVAL AND VARIANCE RELIEF FOR THE CONSTRUCTION OF A GROUND-MOUNTED MONUMENT SIGN AT THE GOLDEN NUGGET UNDER APPLICATION 2011-12-230**

Mr. David Rebeck entered his recusal from the Golden Nugget matter for the record. The Chair opened the consent agenda items to the public for comment. Upon hearing no public comment, the Chair requested a motion to approve the consent agenda. A motion was made by Mr. Garrison and seconded by Mr. Spencer. Resolutions 12-52 and 12-53 were approved by unanimous vote of the eligible members with Ms. Debra

DiLorenzo abstaining from both matters.

REGULAR AGENDA:

LAND USE REGULATION AND ENFORCEMENT

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
CONSENTING TO THE REDEVELOPMENT PLAN FOR THE ATLANTIC AVENUE
CORRIDOR REDEVELOPMENT AREA OF THE CITY OF ATLANTIC CITY DATED
DECEMBER 14, 2011 IN ACCORDANCE WITH P. L. 2011, CHAPTER 18**

The resolution was read by title. Mr. John Palmieri provided a description of the proposed action. The Chair requested member discussion. Mayor Lorenzo Langford clarified for the record that the property is owned by the Atlantic City Housing Authority not the City of Atlantic City. Hearing no further member discussion, the Chair then opened the proposed action to public comment. Upon hearing no public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Garrison and seconded by Mr. Frank Spencer. Resolution 12-54 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
CONSENTING TO THE REDEVELOPMENT PLAN FOR THE ATLANTIC CITY
BEACH BETWEEN ARKANSAS AND ST. JAMES AVENUES REDEVELOPMENT
AREA OF THE CITY OF ATLANTIC CITY DATED NOVEMBER 9, 2011 IN
ACCORDANCE WITH P. L. 2011, CHAPTER 18**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion, and upon hearing none, opened the proposed action to public comment. Mr. William Cheatham of Atlantic City, expressed his approval of the project and added a monorail system should be considered so all visitors could easily traverse the City. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mayor Lorenzo Langford and seconded by Mr. Frank Spencer. Resolution 12-55 was approved by unanimous vote of the members.

ATLANTIC CITY PROJECT REVIEW COMMITTEE

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
AMENDING THE ATLANTIC CITY HOPE VI PROJECT AND APPROVING THE
NEGOTIATION AND EXECUTION OF AGREEMENTS IN FURTHERANCE THEREOF**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion. Mr. Robert Shaughnessy inquired

whether any additional Authority funds were being reserved for the project. Ms. Susan Thompson, Deputy Executive Director, stated that no new funds were being reserved.

Hearing no further member discussion, the Chair opened the proposed action to public comment. Mr. William Cheatham of Atlantic City expressed concern over maintenance of public housing properties in the City. Mr. Palmieri introduced Ms. Pamela James, Executive Director of the ACHA, who provided a brief explanation of the HOPE VI Program in Atlantic City. Mr. Bruce Williams of Atlantic City inquired if the Authority would be interested in innovative ideas regarding security for its properties in the City. Mr. Kehoe asked Mr. Williams to make an appointment with Ms. Bunny Rixey, the Authority's Director of Real Estate. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Shaughnessy and seconded by Mr. Richard Dressel. Resolution 12-56 was approved by a vote of 13-0-2, with abstentions from Mr. Edward Gant and Mr. Frank Spencer.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
REAUTHORIZING A \$10,773,127 FUND RESERVATION FOR THE CAESARS
HOTEL EXPANSION PROJECT**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action, indicating that the licensee requested a three-year extension to the fund reservation. The Chair requested member discussion. Mr. Robert Mulcahy, Chair of the Atlantic City Committee, stated that the Committee was not in favor of a three-year renewal and recommended a shorter term of one-year. Upon hearing no further member discussion, the Chair opened the matter to public comment. Upon hearing no public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Richard Dressel and seconded by Mr. David Rebuck. Resolution 12-57 was approved by a vote of 14-0-1, with Ms. Debra DiLorenzo abstaining.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
REAUTHORIZING A \$19,950,236 FUND RESERVATION FOR THE PINNACLE
CASINO HOTEL EXPANSION PROJECT**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion. Mr. Nicholas Ribis agreed with the Committee recommendation to shorten the extension to 60 days, and stated he would not support any extension beyond 60 days. Upon hearing no further member discussion, the Chair opened the proposed action to public comment. Mr. William Cheatham of Atlantic City inquired about Pinnacle's plans for the Madison Hotel to which Mr. Kehoe stated that the Authority would discuss this item with Pinnacle. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. David Rebuck and seconded by Mr. Robert Griffin. Resolution 12-58 was approved by a vote of 14-0-1, with Ms. Debra DiLorenzo abstaining.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
AWARDING A CONTRACT TO R. WILKINSON & SONS CONSTRUCTION, INC IN
THE AMOUNT OF \$756,550 TO PROVIDE GENERAL CONSTRUCTION SERVICES
FOR THE SECOND WARD FAÇADE PROJECT IN FURTHERANCE OF THE
SECOND WARD VIRGINIA AND MARYLAND AVENUE NEIGHBORHOOD
REVITALIZATION PROGRAM**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and upon hearing none, opened the proposed action to public comment. Mr. William Cheatham of Atlantic City, stated there are many trees in this area that need to be replaced, and that on behalf of the City Shade Tree Commission, he expressed a desire that the Commission be consulted in such matters. Mr. Palmieri stated this action was for the building facades only and referred to Mr. Tom Meehan, Director of Project Implementation. Mr. Meehan stated he and Mr. Don Guardian, Director of the Special Improvement District Division, would reach out to Mr. Cheatham to address his concerns. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mayor Lorenzo Langford and seconded by Mr. Howard Kyle. Resolution 12-59 was approved by a vote of 13-0-2, with Mr. Richard Dressel and Mr. Robert Griffin abstaining from the vote.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
APPROVING A FUND RESERVATION IN THE AMOUNT OF \$24,510 FROM THE
TOURISM DISTRICT AND THE COMMUNITY DEVELOPMENT FUND, AND
AUTHORIZING THE NEGOTIATION AND EXECUTION OF A GRANT AGREEMENT
WITH THE ATLANTIC CITY PUBLIC LIBRARY, ALL IN FURTHERANCE OF THE
ATLANTIC CITY COMMUNITY DEVELOPMENT PROGRAM**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and upon hearing none, opened the matter to public comment. Upon hearing no public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Mulcahy and seconded by Mr. Robert Shaughnessy. Resolution 12-60 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
APPROVING A FUND RESERVATION IN THE AMOUNT OF \$11,400 FROM THE
TOURISM DISTRICT AND THE COMMUNITY DEVELOPMENT FUND, AND
AUTHORIZING THE NEGOTIATION AND EXECUTION OF A GRANT AGREEMENT
WITH TONY BOLONEY'S PIZZA SLAUGHTERFEST, LLC, ALL IN FURTHERANCE
OF THE ATLANTIC CITY COMMUNITY DEVELOPMENT PROGRAM**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and, upon hearing none, opened the proposed action to the public for comment. Mr. Dan Higgins, a representative of the grantee, stated that the event (scheduled for May 26th) would be a community fundraiser benefiting the Boys & Girls Club of Atlantic City. Mayor Lorenzo Langford stated that the inaugural event last year drew national attention. Upon hearing no further member or public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Mulcahy and seconded by Mr. Richard Dressel. Resolution 12-61 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY: (I) ACCEPTING OPEN SPACE GRANT FUNDS FROM ATLANTIC COUNTY IN THE AMOUNT OF \$4.2 MILLION AND (II) APPROVING A SUPPLEMENTAL FUND RESERVATION IN THE AMOUNT OF \$6.0 MILLION OF WHICH \$1.8 MILLION SHALL BE FROM THE ATLANTIC CITY HOUSING AND COMMUNITY DEVELOPMENT FUND AND \$4.2 MILLION SHALL BE FROM THE ATLANTIC COUNTY OPEN SPACE GRANT FUNDS ALL IN FURTHERANCE OF THE LIGHTHOUSE DISTRICT PARK PROJECT

The resolution was read by title. Mr. Howard Kyle entered his recusal for the record. Mr. Palmieri provided a description of the proposed action. Upon hearing no member or public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Mulcahy and seconded by Mr. Richard Dressel. Resolution 12-62 was approved by a vote of 13-0-1, with Mr. Robert Bartolone abstaining.

Mayor Lorenzo Langford left the meeting at 2:40pm

SPECIAL IMPROVEMENT AUTHORITY

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A LEASE AGREEMENT FOR CERTAIN PROPERTY LOCATED AT 12 SOUTH VIRGINIA AVENUE, ATLANTIC CITY, NEW JERSEY, KNOWN AS THE "GARAGE IN GORDON'S ALLEY" WITH A TERM EXPIRING MARCH 31, 2019

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion. Mr. Mulcahy questioned the term of the lease. Mr. Paul G. Weiss, Chief Legal Counsel, responded that the lease had a seven year term, with the Authority retaining the right to terminate the lease, with notice, after the second year. Upon hearing no further member discussion, the Chair opened the matter to the public for comment. Upon hearing none, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Mulcahy and seconded by Mr. Robert Garrison. Resolution 12-63 was approved by a vote of 13-0-1, with Ms. DiLorenzo abstaining.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
APPROVING THE AWARD OF A PURCHASE CONTRACT IN AN AMOUNT NOT TO
EXCEED \$126,212 TO H.A. DEHART & SONS TO PROVIDE ONE STREET
SWEEPER FOR THE CRDA SPECIAL IMPROVEMENT DISTRICT**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and, upon hearing none, opened the proposed action for public comment. Mr. William Cheatham of Atlantic City inquired where the sweeper would be used. Mr. Guardian stated it would cover the entire Tourism District including all the main boulevards. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Richard Dressel and seconded by Mr. Robert Garrison. Resolution 12-64 was approved by unanimous vote of the members.

Mr. Steve Petrecca, Assistant State Treasurer, joined the meeting via teleconference at 2:50pm.

ADMINISTRATION AND PERSONNEL

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
APPROVING THE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT
WITH INSURANCE AGENCIES, INC TO PROVIDE COMMERCIAL INSURANCE
AGENCY SERVICES THROUGH MAY 31, 2013**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion. In response to Mr. Rebuck's inquiry about the number of bids, Ms. Sharon Dickerson, Staff Attorney, stated that two responses were received, but that but one was deemed non-responsive because it did not address the entirety of the scope of service. Ms. Dickerson added that another broker, Connor Strong, decided not to respond, indicating that the Authority should do a request for qualifications and then allow the chosen broker to obtain prices from the market. In response to Mr. Rebuck's question concerning a yearly cost comparison for 2011 and 2012, Ms. Dickerson stated that the Authority would realize a net savings of 15% over the 2011 combined premiums and service fees. Upon hearing no further member discussion, the Chair opened the proposed action to public comment. Upon hearing no public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Robert Mulcahy and seconded by Mr. Robert Griffin. Resolution 12-65 was approved by a vote of 13-0-1, with Ms. DiLorenzo abstaining.

CONVENTION CENTER AND MARKETING / ADMINISTRATION AND PERSONNEL

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF LUXURY TAX
REVENUE REFUNDING BONDS OF ONE OR MORE SERIES OF THE CASINO**

REINVESTMENT DEVELOPMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$125,000,000, AUTHORIZING AND APPROVING THE APPLICATION OF THE PROCEEDS THEREOF, AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED INSTRUMENTS AND DOCUMENTS AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

The resolution was read by title. Mr. Palmieri provided a description of the proposed action, and introduced Mr. Steve Petrecca, Assistant State Treasurer and Mr. Jerry Ostow, Esq., the Authority's Bond Counsel. Mr. Petrecca stated that the proposed action would allow the State to take advantage of the current low interest rate environment to effectuate this refunding issue sometime in the coming summer. Mr. Robert Mulcahy stated the proposed action was a necessary part of the transfer to the CRDA of the Atlantic City Convention and Visitors Authority and related NJ Sports and Exposition Authority luxury tax bond issues. In response to Mr. Rebeck's inquiry about the current interest rate on the bonds, Mr. Petrecca indicated that the rate was approximately five percent, and that he expected the current market to strike a rate between three and four percent. Mr. Rebeck inquired what the luxury tax revenue was to which Mr. Petrecca stated that 2011 revenues were approximately \$31 million against debt service of approximately \$12 million.

Upon hearing no further member discussion, the Chair opened the proposed action to the public. Mr. William Cheatham of Atlantic City stated the need to take care of Boardwalk Hall and West Hall. Mr. Kehoe stated that the Authority has evaluated the capital needs of Boardwalk Hall, which are extensive. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Frank Spencer and seconded by Mr. Robert Shaughnessy. Resolution 12-66 was approved by a vote of 13-0-1, with Ms. DiLorenzo abstaining.

PUBLIC COMMENT

Mr. Mulcahy introduced Mr. Brett Tanzman, the Governor's Authorities Unit liaison recently assigned to the Authority, and noted that Mr. Tanzman was a past member of one of Rutgers University's championship baseball teams when Mr. Mulcahy was Athletics Director.

Mr. Pete Moore, President of Atlantic Cape Community College, thanked the Authority for its support for the College's planned hospitality education center. Mr. Peter Moore also expressed appreciation for the Authority's matching grant with the County to fund construction of the center.

Mr. William Cheatham of Atlantic City expressed his approval of the Authority's efforts to advance the City, stated his desire to have more trees planted throughout the City, not just in the tourism district, and renewed his request that the Authority's new offices be named after Dr. Irene Hill-Smith, who dedicated a significant portion of her life to the CRDA.

Mr. Bobby Green of Atlantic City, expressed his support of the city and Mr. Cheatham's comments regarding the Shade Tree Commission and Boardwalk Hall.

Ms. Maureen Frank, a representative of the Atlantic City Free Public Library, expressed appreciation for the entertainment grant approved for the Library's programs.

Hearing no further public comment, Mr. Kehoe announced that next month's regular public meeting will be at the Authority's new offices at 15 South Pennsylvania Avenue. The Chair then called for a motion to adjourn. A motion to adjourn was made by Mr. Frank Spencer and seconded by Mr. Richard Dressel. The meeting was adjourned by unanimous vote of the members.

CERTIFICATION

I, PAUL G. WEISS, Assistant 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:

April 17, 2012



Paul G. Weiss, Assistant Secretary