

**MINUTES – PUBLIC MEETING 14-9
August 19, 2014**

PRESIDING: Chair, James Kehoe

PRESENT: Tom Balance, Robert Bartolone for DCA Commissioner Richard Constable, Debra DiLorenzo, Edward Gant, Mark Giannantonio, Mayor Don Guardian, Gary Hill, David Rebeck for Acting Attorney General John Hoffman, Howard Kyle, Matthew Levinson, Robert Mulcahy, William Mullen, Robert Shaughnessy for State Treasurer Andrew Sidamon-Eristoff, Richard Tolson,

ABSENT: Gerald Owens, Frank Spencer

STAFF: John F. Palmieri, Susan Thompson, Val Berzins, Paul G. Weiss, Esq., Tom Meehan, Rosalind Kincaid, Lisa Britt, Heather Walls, Oriana Mondragon, Bunny Rixey, Rick Santoro

OTHER Kerstin Sundstrom, Governor's Authorities Unit

ATTENDEES:

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 JULY 15 AND JULY 29, 2014

The Chair requested a motion to approve the minutes of the July 15, 2014 and July 29, 2014 Regular and Special Members' Meetings. A motion was made by Mr. Mulcahy and seconded by Mr. Gant. Resolution 14-109 was approved by a vote of 15-0.

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. Tolson and seconded by Mr. Gant. The Treasurer's report was approved and adopted by unanimous vote of the members.

EXECUTIVE DIRECTOR'S REPORT

John Palmieri discussed the following in his report for this month:

- A. 9/11 First Responders Memorial Ribbon Cutting Ceremony is scheduled for Saturday, September 20th at St. James Place & the Boardwalk. The project is the result of a partnership between CRDA, ACA and the City of Atlantic City.
- B. CRDA commissioned a study by the Urban Land Institute. The study identifies

- potential development opportunities, issues and challenges in the South Inlet
- C. All new LED lighting has been installed at the Atlantic City Monument

LAND USE REGULATION AND ENFORCEMENT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A CERTIFICATE OF NONCONFORMITY FOR SALVATORE AND ELENA ITALIANO UNDER APPLICATION 2014-05-1055

The resolution was read by title. The action was presented by Mr. John Palmieri. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Hill. Resolution 14-110 was approved by unanimous vote of the members.

CONVENTION CENTER & MARKETING

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT TO EXCEED \$150,000 FROM THE CONVENTION CENTER DIVISION BUDGET AND EXTENDING THE PROFESSIONAL SERVICE AGREEMENT WITH POSITIVE IMPACT INC TO PROVIDE CONVENTION CENTER OPERATION AND MARKETING ADVISORY SERVICES ON AN AS-NEEDED BASIS THROUGH JULY 31, 2015

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Mr. William Cheatham of Atlantic City inquired about any action the Authority is undertaking to bring more convention business to Atlantic City. The Chair responded that the newly formed Meet AC, the organization created to focus on convention business within the city, hired a new executive director, Jim Wood, who was in attendance at the meeting, and the Chair suggested that Mr. Cheatham and Mr. Wood meet afterward to discuss Mr. Cheatham's concerns. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Shaughnessy and seconded by Mr. Tolson. Resolution 14-111 was approved by unanimous vote of the members.

ADMINISTRATION AND PERSONNEL

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING AN AMENDED AND RESTATED PERSONNEL POLICY MANUAL

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed. The Chair requested member discussion. The members discussed at length the proposed changes, in particular to confirm that the Authority's sick policy conformed



to State requirements.

Mr. William Cheatham asked if this policy would remain in effect following the 5 year period that the Governor determined for the revitalization of Atlantic City. The Chair responded that the policy deals with personnel matters and is not related to the tourism district legislation. Mr. Cheatham then inquired how long CRDA will be in existence after that time. The Chairman responded that there is no indication that the Authority will cease to exist. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Mulcahy and seconded by Mr. Tolson. Resolution 14-112 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE DESIGNATION OF SPECIAL LEGAL COUNSEL AND THE EXECUTION OF PROFESSIONAL SERVICES AGREEMENTS WITH CONNELL FOLEY, LLP, DUGHI, HEWIT AND DOMALEWSKI, PC AND RIKER DANZIG SCHERER HYLAND PERRETTI, LLP

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion. Mr. Gant inquired if all the rates listed would stay the same. Mr. Weiss responded that the Authority is guided by the Attorney General's Office guidelines for outside counsel, and that the rates remain unchanged from the prior term. Hearing no further member comment, the Chair opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Gant and seconded by Mr. Mulcahy. Resolution 14-113 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY EXTENDING THE PROFESSIONAL SERVICE AGREEMENTS WITH DECOTIIS FITZPATRICK AND COLE LLP AND MCMANIMON SCOTLAND AND BAUMANN LLC AS DESIGNATED BOND COUNSEL ON AN AS-NEEDED BASIS THROUGH JULY 31, 2015

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Kyle. Resolution 14-114 was approved by unanimous vote of the members.

SPECIAL IMPROVEMENT DISTRICT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE NEGOTIATION AND EXECUTION OF AN



INTERGOVERNMENTAL AGREEMENT WITH THE COUNTY OF ATLANTIC FOR THE SPECIAL IMPROVEMENT DISTRICT DIVISION TO PROVIDE LANDSCAPING SERVICES FOR THE COUNTY OWNED OSCAR MCCLINTON WATERFRONT PARK IN THE ATLANTIC CITY TOURISM DISTRICT

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. Mr. Kyle entered his recusal from the matter. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Shaughnessy and seconded by Mr. Hill. Resolution 14-115 was approved by a unanimous vote of the eligible members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE NEGOTIATION AND EXECUTION OF AN INTERGOVERNMENTAL, PROPERTY ACCESS, AGREEMENT WITH THE CITY OF ATLANTIC CITY TO PERMIT CRDA ACCESS TO CITY-OWNED PROPERTIES WITHIN THE ATLANTIC CITY TOURISM DISTRICT

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. Mayor Guardian entered his recusal from the matter. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Mr. William Cheatham inquired about the ownership of the property on North Carolina and Arctic Avenue. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Levinson and seconded by Mr. Kyle. Resolution 14-116 was approved by a unanimous vote of the eligible members.

ATLANTIC CITY DEVELOPMENT AND PROJECT REVIEW

CONSENT AGENDA

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDDING CONTRACTS FOR CARPENTRY SERVICES ON AN AS-NEEDED BASIS THROUGH AUGUST 31, 2015 TO SHORE BUILDING CONTRACTORS, INC, WARRINERS CONSTRUCTION, INC, AND GFS CONSTRUCTION ENTERPRISE, INC FOR VARIOUS PUBLIC IMPROVEMENT PROJECTS AFFECTING PUBLIC SAFETY AND HEALTH IN THE ATLANTIC CITY TOURISM DISTRICT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDDING CONTRACTS FOR CONCRETE SERVICES ON AN AS-NEEDED BASIS THROUGH AUGUST 31, 2015 TO PRO CONSTRUCTION, INC AND MEDIO CONTRUCTION INC FOR VARIOUS PUBLIC



**IMPROVEMENT PROJECTS AFFECTING PUBLIC SAFETY AND HEALTH IN
THE ATLANTIC CITY TOURISM DISTRICT**

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AWARDDING CONTRACTS FOR ROOFING SERVICES ON AN
AS-NEEDED BASIS THROUGH AUGUST 31, 2015 TO ROOF MANAGEMENT,
INC AND US ROOFING CORPORATION FOR VARIOUS PUBLIC
IMPROVEMENT PROJECTS AFFECTING PUBLIC SAFETY AND HEALTH IN
THE ATLANTIC CITY TOURISM DISTRICT**

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AWARDDING A CONTRACT FOR MASONRY SERVICES ON AN
AS-NEEDED BASIS THROUGH AUGUST 31, 2015 TO MEDIO
CONSTRUCTION, INC FOR VARIOUS PUBLIC IMPROVEMENT PROJECTS
AFFECTING PUBLIC SAFETY AND HEALTH IN THE ATLANTIC CITY
TOURISM DISTRICT**

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AWARDDING CONTRACTS FOR HVAC SERVICES ON AN AS-
NEEDED BASIS THROUGH AUGUST 31, 2015 TO MARLEE
CONTRACTORS, LLC, FALASCA MECHANICAL AND NORTHEAST
PLUMBING SERVICES A DIVISION OF NORTHEAST SERVICES CORE
MECHANICAL, INC FOR VARIOUS PUBLIC IMPROVEMENT PROJECTS
AFFECTING PUBLIC SAFETY AND HEALTH IN THE ATLANTIC CITY
TOURISM DISTRICT**

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AWARDDING A CONTRACT FOR PLUMBING SERVICES ON AN
AS-NEEDED BASIS THROUGH AUGUST 31, 2015 TO NORTHEAST
PLUMBING SERVICES A DIVISION OF NORTHEAST SERVICES AND
FALASCA MECHANICAL FOR VARIOUS PUBLIC IMPROVEMENT PROJECTS
AFFECTING PUBLIC SAFETY AND HEALTH IN THE ATLANTIC CITY
TOURISM DISTRICT**

The resolutions were read by title. Mr. Palmieri provided a description of the items. Mr. Kehoe and Mr. Tolson entered their recusals for the record. The Vice Chair opened the matter to public comment. Hearing no public comment, the Vice Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Hill. Resolutions 14-117 thru 14-122 were approved by a unanimous vote of the eligible members.

**REGULAR AGENDA****RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE NEGOTIATION AND EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF ATLANTIC CITY TO FUND A STUDY OF FOR-HIRE TRANSPORTATION SERVICES WITHIN THE CITY**

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. Mayor Guardian entered his recusal on the matter. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Mr. William Cheatham inquired about the types of transportation this action refers to besides taxis. Ms. Trina Woodson of Atlantic City asked whether the CRDA focuses on the Tourism District or on the City generally. The Chair responded that the Authority's focus is on the entire city. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Levinson. Resolution 14-123 was approved by a unanimous vote of the eligible members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT-TO-EXCEED \$83,000 FROM THE TOURISM DISTRICT AND COMMUNITY DEVELOPMENT FUND AND THE NEGOTIATION AND EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF ATLANTIC CITY TO FUND REPLACEMENT OF INCANDESCENT LIGHTING WITH LIGHT-EMITTING DIODE (LED) FIXTURES TO IMPROVE STREET LIGHTING WITHIN IN THE ATLANTIC CITY TOURISM DISTRICT

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. Mayor Guardian entered his recusal on the matter. The Chair requested member discussion. Mr. Rebeck commented that lighting has been a major safety issue in the City. He commended the Authority and the City for the joint effort to improve public safety. The Chair opened the matter to public comment. Ms. Trina Woodson inquired if this action would cover Bass Pro Shop and the Walk Project area and whether plans exist to eventually cover the entire city. Mr. William Cheatham inquired about on-going maintenance of the improvements, and the importance of people reporting when lights are out so that they can be fixed in a timely manner. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Bartolone. Resolution 14-124 was approved by a unanimous vote of the eligible members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDED A CONTRACT TO L. FERIOZZI CONCRETE COMPANY IN AN AMOUNT NOT-TO-EXCEED \$130,400 TO PROVIDE GENERAL CONSTRUCTION SERVICES FOR THE NON-CASINO OPEN

**SPACE AREAS AT MONTPELIER AVENUE OF THE ATLANTIC CITY BOARDWALK IN FURTHERANCE OF THE BOARDWALK REVITALIZATION PROJECT**

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. Mr. Giannantonio, Mayor Guardian and Mr. Tolson entered their recusals on this matter. The Chair requested member discussion. Mr. Gant inquired as to the subcontractors for the project. Mr. Palmieri responded that a list of subcontractors would be provided to the members following the meeting. Mr. Gant reiterated his request that this information be provided in the materials in the future. Upon hearing no further comment, the Chair opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Gant and seconded by Mr. Mulcahy. Resolution 14-125 was approved by a unanimous vote of the eligible members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY (I) APPROVING A SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT TO EXCEED \$75,000 FROM THE TOURISM DISTRICT AND THE COMMUNITY DEVELOPMENT FUND, AND (II) AUTHORIZING THE AWARD AND NEGOTIATION AND EXECUTION OF A GRANT AGREEMENT IN AN AMOUNT NOT TO EXCEED \$25,000 TO DELMO SPORTS, INC, ALL IN FURTHERANCE OF THE ATLANTIC CITY COMMUNITY DEVELOPMENT PROGRAM

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Levinson and seconded by Mr. Mulcahy. Resolution 14-126 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY CONSENTING TO CERTAIN MODIFICATIONS TO THE TERMS AND CONDITIONS OF THE SENIOR FIRST MORTGAGE OF HEADQUARTERS HOTEL ASSOCIATES, L.P., IN FURTHERANCE OF THE CONVENTION CENTER HEADQUARTERS HOTEL PROJECT

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion, and upon hearing none, opened the matter to public comment. In response to Ms. Trina Woodson question about the amount of the mortgage, Mr. Palmieri responded that the amount is \$17 million dollars. Mr. William Cheatham stated that if the city was able to attract more conventions, it would benefit this hotel. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Mulcahy. Resolution 14-127 was approved by unanimous vote of the members.



RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT TO EXCEED \$33,209 FROM THE ATLANTIC CITY TOURISM DISTRICT AND COMMUNITY DEVELOPMENT FUND IN FURTHERANCE OF THE CRDA SUMMER CONCERT SERIES PROJECT

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion. Mr. Gant inquired how the success of these concerts will be measured. Mr. Palmieri responded that there will be CRDA staff present in the concerts to provide feedback on attendance. Mr. Giannantonio commented that these concerts have provided entertainment for the city and create excitement. Upon hearing no further member comment, the Chair opened the matter to public comment. Ms. Trina Woodson commented that she had a meeting with Mayor Don Guardian regarding the parking for the beach concerts which resulted in a resolution that will be submitted at the next City Council meeting. Ms. Elma Johnson commented that the series of jazz concerts held this year has been a great success. Mr. Sherif Shaltouf of Atlantic City commented that there should be more coverage of these summer concerts and events on social media. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Hill. Resolution 14-128 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AMENDING THE ATLANTIC AVENUE FAÇADE REVITALIZATION PROJECT

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion. Mr. Tolson inquired if CRDA could consider incentives for all property owners whose businesses are in need of façade improvements to increase participation in such projects within the Tourism District. Mr. Mulcahy commented that going forward façade improvement projects should be more contiguous rather than scattered throughout blocks to show a more significant improvement. Mr. Palmieri indicated that owner participation can be challenging due to several factors, including whether the property has judgments or unpaid taxes, in which case, the Authority requires the property owner to address those obstacles prior to participating in the project. Upon hearing no further member comment the Chair opened the matter to public comment. Ms. Trina Woodson inquired if this project is an expansion to the Main Street project to which Mr. Kehoe responded in the negative. Ms. Woodson then inquired about the details of loans provided for the project. Mr. Palmieri explained that the program provides loans to business owners that are forgiven if the owner maintains the improvement for 10 years. Ms. Woodson inquired if this façade program will expand outside the Tourism District. Mr. Palmieri responded that any façade project would be restricted to the Tourism District. Ms. Elma Johnson commented about the poor condition and quality of stores on Atlantic Avenue and the perception that it is not safe. Mr. Giannantonio commented that the Authority shares



these concerns, has limited resources, and that property owners, city residents and city government also have an important role to play in improving the aesthetic appearance of the City. Mr. Kehoe commented that Mayor Guardian's leadership has resulted in the improvement to the City's appearance. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Levinson. Resolution 14-129 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE SUBORDINATION OF A USE RESTRICTION AND FORFEITURE RIGHTS RELATING TO THE SITE OF THE AC LINEN FACILITY ON BLOCK 303 IN ATLANTIC CITY, NEW JERSEY

The resolution was read by title. Mr. Palmieri provided a brief description of the proposed action. The Chair requested member discussion. Mr. Mulcahy stated that AC Linen employs 500 people in Atlantic City and the Board commends them for wanting to improve and expand their operations. Upon hearing no further member comment the Chair opened the matter to public comment. Mr. William Cheatham inquired where AC Linen is located. Mayor Guardian provided the address which is 18 N. New Jersey Avenue in Atlantic City. Mr. William Cheatham inquired about the expansion of the business. Mr. Eric Goldberg, co-owner of AC Linen, responded that it is not a physical expansion but an expansion in the form of new equipment. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Hill. Resolution 14-130 was approved by unanimous vote of the members.

PUBLIC COMMENT

Mr. Gant inquired about a proposal from Live Nation. Mr. Palmieri provided information regarding the recently received proposal and noted that Live Nation and CRDA have been discussing a possible agreement which could lead to more events being booked at Boardwalk Hall.

Mr. Gant inquired about the difference in rates listed for bond counsel. Mr. Weiss responded that CRDA engages a principal and a conflicts counsel, and that the rates do differ slightly as between the two firms.

Trina Woodson requested more information regarding the study of the South Inlet that was conducted by the Urban Land Institute. Mr. Palmieri responded that to the study was currently in draft form and under review by the Authority's new Planning Director.

Mr. William Cheatham stated that Revel is the anchor in the South Inlet. He also stated that CRDA should work quickly to develop the Inlet and not sit on vacant land as the City did with the "Pauline's Prairie" property.



Ms. Ruth B. commented that a lot of residents were forced out of their homes when Revel was built. She urged the Authority to take a closer look at these types of projects that cause people to be relocated from their homes and then, subsequently fail.

Ms. Emily Vu urged the Authority to provide assistance to City residents who are now faced with a significant increase in their [property taxes, and who face the possibility of having to leave the city and their businesses because they cannot afford to live or work in the city.

Ms. Elma Johnson stated that when casinos were first introduced in the city, the promise to residents was that they would pay very little in taxes. She also commented about the employment struggle in the city.

Chairman Kehoe stated that that the Authority appreciates the residents concerns and comments, and that the Authority is working in earnest to advance initiatives that will diversify and improve the City's economy, and thereby benefit City businesses and residents.

Ms. Ruth B. commented that Atlantic City should be family oriented like it used to be and that the current state of the city discourages investment.

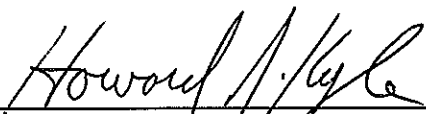
Mr. Kehoe commented that he knows Mayor Guardian is working to create opportunities in these difficult times.

Mr. Steve Young of Atlantic City shared the success of this year's Kentucky Renaissance Festival, and read a list of organizations and individuals who provided financial and other support to the festival.

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:

August 19, 2014



HOWARD J. KYLE, SECRETARY