



**CASINO REINVESTMENT DEVELOPMENT
AUTHORITY**

**15 SOUTH PENNSYLVANIA AVENUE
ATLANTIC CITY, NJ 08401**

MINUTES – PUBLIC MEETING 12-06

May 15, 2012

PRESIDING: Chair, James Kehoe

PRESENT: Kevin DeSanctis, 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, Charles Richman for Commissioner Richard Constable, 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, Roseann Lafferty, Lisa Risteski, Heather Walls, Stephanie Galantino

**OTHER
ATTENDEES:** Brett Tanzman, Esq., Governor's Authorities Unit, Stuart Lederman, Esq., Special Counsel to the Authority

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 April 17, 2012

The Chair requested a motion to approve the minutes of the April 17, 2012 Members' Meeting. A motion to approve the minutes was made by Mr. Mulcahy and seconded by Mr. Griffin. Resolution 12-67 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. Spencer and seconded by Mr. Garrison. The Treasurer's report was approved and adopted by unanimous vote of the members.

The Chair welcomed recently appointed member Kevin DeSanctis to the Authority. Mr. DeSanctis is one of two casino industry representatives, and is Chairman and CEO of Revel Entertainment Group, LLC.

EXECUTIVE DIRECTOR'S REPORT

Mr. John Palmieri welcomed the public to the Authority's new offices and board room, and provided an update on various matters that the Authority is engaged, including the following:

(i) The proposed South Inlet Mixed-Use Development Project is before the members for a preliminary approval. The proposed project includes the acquisition, assemblage and development of certain property in the previously designated Inlet Neighborhood Strategy Area, and seeks to advance certain goals of the tourism district master plan adopted in February. This preliminary approval does not commit funds (at this juncture), which funds are anticipated through a direct placement to local financial institutions in collaboration with the NJ Economic Development Authority. A final project approval will be advanced in the future after the Authority staff further examines project parameters and funding.

(ii) The Sav-A-Lot grocery store chain has agreed to occupy the grocery store space located in the Renaissance Plaza. A "soft" opening is planned for tomorrow evening, May 16, with a public opening on Thursday, May 17. The new 15,000 square foot grocery store is a much needed addition to the city, providing a grocery outlet for both residents and visitors.

(iii) As part of its effort to implement the master plan, the Authority has been working aggressively with its casino industry partner, The Atlantic City Alliance (ACA), headed by Ms. Liza Cartmell to identify interim uses for various vacant lots as part of the "Flex-Fields" Project that received preliminary approval by the members. These interim uses will likely include art installations, related amenities, and other appropriate outdoor uses to attract visitors and residents alike. Once these potential uses are further clarified, the members can expect to see a proposal for final approval of the Project within the next month, with installation of such amenities commencing within the following 3-4 months. Ms. Cartmell may attend the next meeting to present ACA's ideas for the Flex-Fields Project.

ATLANTIC CITY DEVELOPMENT AND PROJECT REVIEW COMMITTEE

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY GRANTING A PRELIMINARY DETERMINATION OF
PROJECT ELIGIBILITY FOR THE SOUTH INLET MIXED USE
DEVELOPMENT PROJECT**

The resolution was read by title. Mr. DeSanctis entered his recusal for the record. Mr. Palmieri described the proposed action. In addition to the residential, retail and recreational activities proposed, Mr. Palmieri reported that Stockton College is seriously considering a satellite campus in this area, which could serve as an anchor to the neighborhood. The Chair requested member discussion. While expressing support for the Project at this juncture, Mayor Lorenzo Langford stated that he would raise at a later date the concerns he had previously expressed during committee review of the proposed project. Expressing approval for the Project, Mr. David Rebeck raised concerns about the condition of the Boardwalk and expressed a desire to have staff provide a report to the members about any long term plan(s) to repair, redesign and reconstruct the boardwalk and the Authority's current and proposed involvement in such efforts.

Hearing no further member discussion, the Chair then opened the proposed action to public comment. Mr. William Cheatham of Atlantic City stated that the Inlet is an essential part of the city and suggested a police precinct there. Mr. Cheatham also expressed concern that Stockton may not pay taxes and the effect this will have on city resources. Mr. Tom Scannapieco, President of Bella Condominium Association, stated the condo owners are supportive of the proposed project but are concerned about preserving their current parking arrangements for residents and guests. Mr. Scannapieco also stated that the condo owners would be supportive of more upscale uses in their neighborhood. Mr. Bruce Williams of Atlantic City expressed approval of the Sav-A-Lot and further stated the city needs many more restaurants. The Chair asked Mr. Williams if he had any comment pertaining to the proposed Project. Mr. Williams stated he would complete his comments during the public comment portion of the meeting. 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. Frank Spencer. Resolution 12-68 was approved by unanimous vote of the eligible members, with Ms. Debra DiLorenzo abstaining.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AWARDING TWO PROFESSIONAL SERVICES
AGREEMENTS TO J. MCHALE AND ASSOCIATES, INC AND PATJO
APPRAISAL SERVICES INC FOR REAL ESTATE APPRAISAL**

**SERVICES ON AN AS-NEEDED BASIS THROUGH MAY 30, 2013,
WITH A TOTAL SPENDING LIMIT OF \$150,000**

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Robert Mulcahy stated McHale and Associates would likely be assigned to the Inlet acquisitions effort. The Chair then opened the proposed action to the public for comment and upon hearing none, requested a motion to adopt the Resolution. A motion was made by Mr. Frank Spencer and seconded by Mr. Robert Mulcahy. Resolution 12-69 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING AN AMENDED PROJECT, A
SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT-TO-
EXCEED \$36,000 FROM THE TOURISM DISTRICT AND COMMUNITY
DEVELOPMENT FUND, AND THE NEGOTIATION AND EXECUTION
OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF
ATLANTIC CITY FOR IMPROVEMENTS TO THE TEXAS AVENUE
PARK ALL IN FURTHERANCE OF THE FIFTH WARD PARKS AND
RECREATION AREA IMPROVEMENT PROJECT**

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. Mr. William Cheatham of Atlantic City commended all parties involved in the project. Commander Thomas Gilbert reiterated the importance of the project to the community and the Authority's clean and safe initiatives. Upon hearing no further public comment, the Chair requested a motion to adopt the Resolution. A motion was made by Mr. Ed Gant and seconded by Mr. Richard Dressel. Resolution 12-70 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING A FUND RESERVATION IN THE AMOUNT
OF \$25,000 FROM THE TOURISM DISTRICT AND THE COMMUNITY
DEVELOPMENT FUND, AND AUTHORIZING THE NEGOTIATION AND
EXECUTION OF A GRANT AGREEMENT WITH THE GREATER
ATLANTIC CITY CHAMBER OF COMMERCE, ALL IN FURTHERANCE
OF THE ATLANTIC CITY COMMUNITY DEVELOPMENT PROGRAM**

The resolution was read by title. Mr. Howard Kyle entered his recusal in the record. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and upon hearing none, opened the matter to public comment. Mr. Joseph

Kelly, President of the Atlantic City Chamber of Commerce, thanked the members for their support of the event. Mr. Kelly further stated there will be an Armed Services parade on Wednesday and fireworks on Thursday. 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. Edward Gant. Resolution 12-71 was approved by unanimous vote of the eligible members, with Ms. DiLorenzo abstaining.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING A FUND RESERVATION IN THE AMOUNT
OF \$22,500 FROM THE TOURISM DISTRICT AND THE COMMUNITY
DEVELOPMENT FUND, AND AUTHORIZING THE NEGOTIATION AND
EXECUTION OF A GRANT AGREEMENT WITH THE ATLANTIC CITY
BALLET COMPANY, 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. Ms. Phyllis Papa, Director of the Atlantic City Ballet, provided a brief description of the dance troop, and thanked the members for their support. 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. Richard Dressel. Resolution 12-72 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING A FUND RESERVATION IN THE AMOUNT
OF \$25,000 FROM THE TOURISM DISTRICT AND THE COMMUNITY
DEVELOPMENT FUND, AND AUTHORIZING THE NEGOTIATION AND
EXECUTION OF A GRANT AGREEMENT WITH THE ATLANTIC CITY
OF ATLANTIC CITY, ALL IN FURTHERANCE OF THE ATLANTIC CITY
COMMUNITY DEVELOPMENT PROGRAM**

The resolution was read by title. Mayor Langford entered his recusal for the record. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and upon hearing none, opened the matter to public comment. Mr. Wilbur Banks, Atlantic City Health and Human Services, thanked the members for their support and stated the Summer Concert Series brings attendance of up to 3000 people. 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. Richard Dressel. Resolution 12-73 was approved by unanimous vote of the eligible members.

At the Chair's request, Mr. Palmieri introduced two of the Authority's new Boardwalk Ambassadors to the members and public attendees, and thanked them for their commitment to making the City a better place for visitors and residents.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A FUND RESERVATION IN THE AMOUNT OF \$3,000 FROM THE TOURISM DISTRICT AND THE COMMUNITY DEVELOPMENT FUND, AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF A GRANT AGREEMENT WITH THE ATLANTIC CITY FIRE BOXING CLUB, 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. Captain Shannon Stinsman of the Atlantic City Fire Department thanked the members for their support, and stated the event raises funds for three organizations: Gilda's Club, Shirley Mae Foundation and AC PAL. 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. Frank Spencer. Resolution 12-74 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY INCREASING THE SPENDING AUTHORIZATION UNDER ITS CURRENT AS-NEEDED ARCHITECTURAL AND ENGINEERING SERVICES PROCUREMENT BY \$168,360 FOR A TOTAL VALUE OF \$393,360

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. Frank Spencer and seconded by Mr. Howard Kyle. Resolution 12-75 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY (I) GRANTING PROJECT APPROVAL AND (II) ESTABLISHING A FUND RESERVATION IN THE AMOUNT OF \$104,400 FROM THE ATLANTIC CITY TOURISM DISTRICT AND

**COMMUNITY DEVELOPMENT FUND FOR DESIGN SERVICES UNDER
THE AUTHORITY'S AS-NEEDED ARCHITECTURAL SERVICES
CONTRACT, ALL IN FURTHERANCE OF THE BOARDWALK
INNOVATION PAVILIONS PROJECT**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion, and added the first pavilion will be used to show potential sponsors how they could be utilized to the benefit of the sponsor. Upon hearing no further member discussion, the Chair opened the meeting for public comment. Mr. William Cheatham of Atlantic City, inquired where the first pavilion will be built. Mr. Palmieri stated the location was still being evaluated and that the proposed action, if approved, would address this question. 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. Richard Dressel. Resolution 12-76 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY (I) GRANTING PROJECT APPROVAL AND (II)
ESTABLISHING A SUPPLEMENTAL FUND RESERVATION IN THE
AMOUNT OF \$71,960 FROM THE ATLANTIC CITY HOUSING AND
COMMUNITY DEVELOPMENT FUND FOR ARCHITECTURAL AND
ENGINEERING SERVICES UNDER THE AUTHORITY'S AS-NEEDED
PROFESSIONAL SERVICES CONTRACT, ALL IN FURTHERANCE OF
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 and upon hearing none, opened the matter to public comment. Mr. William Cheatham of Atlantic City expressed approval for the project but also stated concern about Atlantic Avenue owners who would not agree to participate in the program. 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 Griffin with Resolution 12-77 was approved by unanimous vote of the members.

The Chair then announced that the Authority would adjourn to an executive session, and requested a reading of the following resolution:

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING AN EXECUTIVE SESSION TO DISCUSS**

**PENDING LITIGATION PERTAINING TO THE SPECIAL
IMPROVEMENT DISTRICT AND POTENTIAL LITIGATION
PERTAINING TO THE REGULATION OF SEXUALLY-ORIENTED
BUSINESSES IN THE TOURISM DISTRICT**

The resolution was read by title. The Chair requested member discussion and upon hearing none, requested a motion to adopt the Resolution. A motion was made by Mr. Frank Spencer and seconded by Mr. Robert Shaughnessy. Resolution 12-78 was approved by unanimous vote of the members.

Mr. Griffin left the meeting at 3:50pm.

Upon returning to the open, public session portion of the meeting, the members considered the following resolutions:

SPECIAL IMPROVEMENT DISTRICT COMMITTEE

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING AN AMENDMENT TO THE OPERATING
BUDGET FOR THE CRDA SPECIAL IMPROVEMENT DISTRICT FOR
THE PERIOD JANUARY 1 THROUGH DECEMBER 31, 2012**

Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion and upon hearing none, opened the matter to public comment. Mr. Jack Plackter, Esq., counsel for the Borgata Casino Resort stated that Borgata is protesting its inclusion in the Special Improvement District, but will continue to contribute its assessment pending the outcome of its appeal. 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. Richard Dressel. Resolution 12-79 was approved by unanimous vote of the members, with Ms. DiLorenzo and Mayor Langford abstaining from the vote.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING AND AUTHORIZING THE CERTIFICATION
OF THE SPECIAL IMPROVEMENT DISTRICT ASSESSMENT ROLL
FOR THE PERIOD JANUARY 1, 2012 THROUGH DECEMBER 31, 2012**

The resolution was read by title. Mr. Palmieri provided a description of the proposed action. The Chair requested member discussion. Mayor Lorenzo Langford inquired if the rate had changed to which Mr. Val Berzins, CFO responded that the rate was the same as the previous 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. Frank Spencer and seconded by Mr. Richard Dressel. Resolution 12-78 was approved by unanimous vote of the members, with Ms. DiLorenzo and Mayor Langford abstaining.

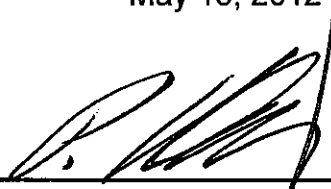
Mr. Howard Kyle left the meeting at 3:54pm

With no further business, the Chair opened the meeting to the public. Hearing no public comment, the Chair requested a motion for adjournment. A motion to adjourn the meeting was made by Mr. Frank Spencer, seconded by Mr. Ed Gant. 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:

May 15, 2012



Paul G. Weiss, Assistant Secretary