

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

**MINUTES – PUBLIC MEETING 14-1
JANUARY 28, 2014**

PRESIDING: Chair, James Kehoe

PRESENT: Ana Montero for DCA Commissioner Richard Constable, Debra DiLorenzo, Robert Griffin, Mayor Don Guardian, David Rebeck for Acting Attorney General John Hoffman, Howard Kyle, Robert Mulcahy, William Mullen, Gerald Owens (via teleconference), Robert Shaughnessy for State Treasurer Andrew Sidamon-Eristoff, Frank Spencer (via teleconference), Richard Tolson

ABSENT: Kevin DeSanctis, Edward Gant, Matthew Levinson

STAFF: John F. Palmieri, Susan Thompson, Val Berzins, Jim Kutch, Rosalind Kincaid, Tom Meehan, Kim Butler, Ali Reynolds, Elizabeth Terenik, Lisa Risteski, Heather Walls, Donna Pless, Eric Carrier, Laura Berrios, Roseann Lafferty

OTHER ATTENDEES: Kerstin Sundstrom, Governor's Authorities Unit, Special Counsels Craig Domalewski, Esq. and Stuart Lederman, Esq.

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 December 17, 2013

The Chair requested a motion to approve the minutes of the December 17, 2013 Members' Meeting. A motion was made by Mr. Bartolone and seconded by Mr. Tolson. Resolution 14-01 was approved by unanimous vote of 12-0.

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

EXECUTIVE DIRECTOR'S REPORT

Mr. Palmieri reviewed the following items with the members and the public:

1. The ULI/University of Pennsylvania School of Design will unveil a public presentation of 10 local historic initiatives within the City. CRDA is hosting the event to be held tomorrow at Dante Hall at 6pm.
2. The second LEAD ACT fellows will be inaugurated at Carnegie Hall on Wednesday morning.
3. The Northeastern Pool/Spa Convention kicked off this morning at Convention Center which will be a significant boost to the local economy.

LAND USE REGULATIONS AND ENFORCEMENT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING PRELIMINARY AND FINAL SITE PLAN APPROVAL AND VARIANCE RELIEF FOR THE DEVELOPMENT OF A BOAT STORAGE YARD IN SUPPORT OF THE BASS PRO SHOPS IN ATLANTIC CITY, NEW JERSEY UNDER APPLICATION 2013-12-895

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion, the Chair opened the matter to the public. In response to Mr. William Cheatham's inquiry about the location of the boat storage area, Mr. Palmieri described the location of the yard at Block 389 in the city of Atlantic City. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Mulcahy and seconded by Mr. Kyle. Resolution 14-02 was approved by the unanimous vote of the members.

Mr. Frank Spencer joined the meeting via teleconference.

ADMINISTRATION & PERSONNEL

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AMENDING AND RESTATING THE DONATION CREDIT POLICY ADOPTED PURSUANT TO RESOLUTION 95-50 DATED MAY 9, 1995

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Rebeck stated that the proposed change brings the policy more current with the vagaries of the existing competitive and financial landscape within the casino industry. Mr. Griffin expressed his support stating the policy provides more flexibility to spur investment. Hearing no further member discussion, the Chair opened the matter to the public. Mr. William Cheatham and Mr. Frank Formica expressed their support of the change in policy.

Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Tolson. Resolution 14-03 was approved by unanimous vote of the members.

NORTH JERSEY/SOUTH JERSEY PROJECT REVIEW

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A DONATION OF INVESTMENT ALTERNATIVE TAX OBLIGATIONS ON ACCOUNT FOR CAESAR'S ENTERTAINMENT CORPORATION AND VARIOUS CAESAR'S AFFILIATED CASINO LICENSEES PURSUANT TO P.L. 1984, CHAPTER 218

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Rebeck stated the Authority should require definitive project commencement and substantial completion dates. Mr. Tolson concurred with Mr. Rebeck's comments. Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Bartolone. Resolution 14-04 was approved by unanimous vote of the members.

ATLANTIC CITY DEVELOPMENT & PROJECT REVIEW

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A FUND RESERVATION IN AN AMOUNT NOT-TO-EXCEED \$26,287 FROM THE ATLANTIC CITY HOUSING AND COMMUNITY DEVELOPMENT FUND AND RENEWING THE FUNDING AGREEMENT WITH MAIN STREET ATLANTIC CITY, INC FOR A SIX MONTH TERM ENDING JUNE 30, 2014

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Mulcahy proposed that the resolution be amended to require a monthly progress report to the Atlantic City Committee from the Main Street organization. Hearing no further member discussion or public comment, the Chair requested a motion. Mr. Kyle made a motion to adopt the resolution, as amended in accordance with Mr. Mulcahy's proposal, which was seconded by Mr. Shaughnessy. Resolution 14-05 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT

AUTHORITY GRANTING AMENDED PROJECT APPROVAL, A SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT TO EXCEED \$30,000 FROM THE TOURISM DISTRICT AND COMMUNITY DEVELOPMENT FUND, AND THE NEGOTIATION AND EXECUTION OF A GRANT AGREEMENT WITH THE SCHULTZ-HILL FOUNDATION ALL IN FURTHERANCE OF THE 2014 ENTERTAINMENT FOR SENIORS PROJECT

The resolution was read by title. Mr. Kyle entered his recusal. Mr. Palmieri described the proposed action. Hearing no member discussion, The Chair opened the matter to the public. Mr. Cheatham expressed his support and thanks for the program. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Mulcahy. Resolution 14-06 was approved by unanimous vote of the eligible members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY PERTAINING TO THE SINGLE POINT OF ENTRY FOR HOMELESS SERVICES PROJECT

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion, the Chair opened the matter to the public. Mr. William Cheatham expressed his support. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Mulcahy. Resolution 14-07 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A GRANT IN AN AMOUNT NOT-TO-EXCEED \$100,000 TO THE ATLANTIC CITY ALLIANCE, INC FOR ENTERTAINMENT PROGRAMS CONDUCTED AS PART OF THE 2013 ATLANTIC CITY COMMUNITY DEVELOPMENT PROGRAM

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Mulcahy suggested amending the policy for future programs to require reporting of attendance after the event. Mr. Griffin stated more events need to be planned in the city. Hearing no further member discussion, the Chair opened the matter to the public. Mr. Cheatham suggested utilizing the local community for future events. Mr. Frank

Formica indicated his appreciation for the Authority's approach to accountability. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Mulcahy and seconded by Mr. Tolson. Resolution 14-08 was approved by a vote of 12-0-1, with an abstention from Mr. Kyle.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDING CONTRACTS TO ACTION JANITORIAL INC AND AAA PARAMOUNT UNITED LLC TO PROVIDE PROPERTY MAINTENANCE, LANDSCAPING AND SNOW REMOVAL SERVICES ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2014 WITH A SPENDING AUTHORIZATION OF \$50,000

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Mulcahy inquired if the Authority had experience with the firms. Mr. Palmieri indicated the Authority has worked with one and the other is new to doing business with the Authority. Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Griffin. Resolution 14-09 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A FUND RESERVATION IN AN AMOUNT NOT-TO-EXCEED \$56,926 FROM THE OPERATING FUND, AND AWARDING A CONTRACT FOR GENERAL CONSTRUCTION SERVICES TO SHORE BUILDING CONTRACTORS, INC FOR RENOVATIONS TO AUTHORITY'S OFFICES LOCATED AT 15 SOUTH PENNSYLVANIA AVENUE, ATLANTIC CITY, NEW JERSEY

The resolution was read by title. Mr. Kehoe entered his recusal. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Kyle and seconded by Mr. Tolson. Resolution 14-10 was approved by a vote of 11-0-1, with an abstention by Ms. DiLorenzo.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN THE AMOUNT OF \$862,265 FROM THE ATLANTIC CITY HOUSING AND COMMUNITY DEVELOPMENT FUND, AND AWARDING A CONTRACT FOR GENERAL CONSTRUCTION SERVICES TO ALIANO

**BROTHERS GENERAL CONTRACTORS, INC ALL IN FURTHERANCE
OF THE ATLANTIC AVENUE FAÇADE REVITALIZATION PROJECT**

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Rebeck inquired if the Request for Proposal identified a time frame for completion. Mr. Meehan indicated the contract states 180 days. Mr. Rebeck further inquired when the work would begin to which Mr. Meehan stated after the veto period has ended and the contract signed by the Authority. Mr. Tolson inquired about the criteria to hold the property owners liable for future maintenance. Mr. Meehan explained a lien would be placed on the property for 10 years, and that if the owner does not maintain the improvements, the Authority has the right to trigger repayment of the then-existing balance of the improvements. Hearing no further member discussion, the Chair opened the matter to the public. Mr. Nael Cumod, an owner in the project area, stated that he is not comfortable signing onto the project without the ability to secure his property with security gates. Mr. Kehoe suggested that Mr. Cumod meet with Mr. Meehan to discuss alternatives. Mr. Cheatham inquired about the other side of the street. Mr. Meehan indicated that many of the properties in that block are not able to participate in the program due to judgments and other financial encumbrances on their properties.

Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Shaughnessy and seconded by Mr. Bartolone. Resolution 14-11 was approved by vote of 12-0-1, with an abstention from Mr. Owens.

PUBLIC COMMENT

Mr. William Cheatham stated it appeared that Atlantic City will be prosperous this year.

Mr. Formica inquired if casinos were permitted to use IAT's for maintenance. Mr. Palmieri indicated the idea has been discussed however it is the intention of the Authority to use the IAT's for projects that will advance the mission of the CRDA in the Tourism District.

Upon hearing all public comment, the Chair requested a motion to adjourn to the closed session portion of the meeting.

EXECUTIVE SESSION

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

The resolution was read by title. A motion was made by Mr. Mulcahy and seconded by Mr. Tolson. Resolution 14-12 was approved by unanimous vote of the members.

Upon return to the open session portion of the meeting, the Chair requested a motion to adjourn. A motion was made by Mr. Shaughnessy and seconded by Mr. Tolson. The motion to adjourn was approved by unanimous vote of the members.

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:

January 28, 2014

HOWARD J. KYLE, SECRETARY