



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

**MINUTES – PUBLIC MEETING 13-02
February 19, 2013**

PRESIDING: Chair, James Kehoe

PRESENT: David Rebeck for Attorney General Jeffrey Chiesa, Bob Bartolone for Commissioner Richard Constable, Debra DiLorenzo, Edward Gant, Robert Garrison, Robert Griffin (via teleconference), Howard Kyle, Matthew Levinson, Robert Mulcahy, Gerald Owens, Robert Shaughnessy for State Treasurer Andrew Sidamon-Eristoff, Frank Spencer, Richard Tolson

ABSENT: Kevin DeSanctis, Mayor Lorenzo Langford

STAFF: John F. Palmieri, Susan Thompson, Val Berzins, Paul G. Weiss, Esq., Don Guardian, Rosalind Kincaid, Tom Meehan, Bunny Rixey, Ali Reynolds, Kim Butler, Lisa Risteski, Heather Walls, Rose Ann Lafferty, Donna Pless

OTHER Brett Tanzman, Governor's Authorities Unit

ATTENDEES:

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 JANUARY 22, 2013

The Chair requested a motion to approve the minutes of the January 22, 2012 Members' Meeting. A motion was made by Mr. Spencer and seconded by Mr. Garrison. Resolution 13-16 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. Gant and seconded by Mr. Spencer. The Treasurer's report was approved and adopted by unanimous vote of the members.



EXECUTIVE DIRECTOR'S REPORT

Mr. John Palmieri, Executive Director, updated the members on the following:

1. **MISS AMERICA PAGEANT** – The combined effort between ACCVA, CRDA and ACA have made it possible to bring the pageant back to Atlantic City.
2. **CODE ENFORCEMENT** – CRDA continues its efforts to work with the city to implement code enforcement improvements in the Tourism District. The Authority has offered to subsidize 2-4 additional code enforcement officers to be more aggressive in identifying and remediating substandard conditions.
3. **TRUMP PLAZA** – The Meruelo Group and the owners of Trump Plaza have signed an agreement of sale for the Plaza. The CRDA has met with the new owners, who have expressed an interest in improving the property and increasing non-gaming amenities.
4. **HURRICANE SANDY** – Staff continues to work with FEMA, DCA and EDA on the funding request to improve, restore and mitigate the issues created by Super Storm Sandy.
5. **ACA UPDATE** - Liza Cartmell will be presenting an update on the Tourism District Marketing Campaign.
6. **TOURISM DISTRICT VIDEO** - This month marks 2nd year of the establishment of the Atlantic City Tourism District, and the CRDA has prepared a video highlighting accomplishments.
7. **PUBLIC MARKETPLACE** – The CRDA is advancing this initiative as another possible addition to the growing list of non-gaming amenities in the District. The marketplace will feature local vendors and will be similar to the Reading Terminal Market in Philadelphia. The CRDA has commissioned a market feasibility study and is assembling the funds necessary for development.

LAND USE REGULATION AND ENFORCEMENT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING CERTIFICATE OF NONCONFORMITY TO REAL PROPERTIES MANAGEMENT LLC AT BLOCK 36, LOT 58 IN THE CITY OF ATLANTIC CITY UNDER APPLICATION 2012-09-451

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Mulcahy inquired if the use was an existing condition. Mr. Paul G. Weiss, Esq.



responded that the applicant met its legal burden at the Hearing to prove that the use pre-existed the City's amendment to its zoning ordinance. Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Garrison and seconded by Mr. Mulcahy. Resolution 13-17 was approved by unanimous vote of the members.

AUDIT COMMITTEE

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY ACCEPTING THE 2012 AUDITED FINANCIAL STATEMENTS SUBMITTED BY FRIEDMAN, LLP AND AUTHORIZING SUBMISSION OF THE AUDIT TO THE GOVERNOR, STATE TREASURER AND THE LEGISLATURE

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Shaughnessy. Resolution 13-18 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE 2012 ANNUAL REPORT AND AUTHORIZING PUBLICATION IN ACCORDANCE WITH EXECUTIVE ORDER 37, ADOPTED SEPTEMBER 26, 2006

The resolution was read by title. Mr. Palmieri described the proposed action. Ms. DiLorenzo complimented the CRDA for a professional and well written report. Hearing no further member further discussion, the Chair opened the proposed action to public comment, and upon hearing none, requested a motion. A motion was made by Mr. Gant and seconded by Mr. Mulcahy. Resolution 13-19 was approved by unanimous vote of the members.

ATLANTIC CITY DEVELOPMENT AND PROJECT REVIEW COMMITTEE

DISCUSSION ITEMS:

- 1. ACA UPDATE** – Ms. Liza Cartmell, Atlantic City Alliance President, updated the members on the DO AC campaign.
- 2. TOURISM DISTRICT VIDEO** – Ms. Kim Butler, Director of



Communications, presented the Tourism District video celebrating the accomplishments of the first two years of the Tourism District.

3. **CAESAR'S CONFERENCE CENTER** – Mr. Kevin Ortzman, General Manager of Caesar's Entertainment, updated the members and stated that Harrah's was in the final stages of completing its project financing, and are cautiously optimistic that they will be breaking ground in early spring.

ACTION ITEMS:

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY: (I) GRANTING PROJECT APPROVAL, (II) ACCEPTING A DONATION: (A) IN THE AMOUNT OF \$9,531,375 FROM SHOWBOAT ATLANTIC CITY OPERATING COMPANY, LLC T/A ATLANTIC CITY SHOWBOAT INVESTMENT ALTERNATIVE TAX OBLIGATIONS AND (B) OF REAL PROPERTY WITH A FAIR MARKET VALUE OF APPROXIMATELY \$7,300,000, AND (III) ESTABLISHING A SUPPLEMENTAL FUND RESERVATION IN THE AMOUNT OF \$9,531,375, ALL IN FURTHERANCE OF THE MARKETPLACE 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 of Atlantic City questioned whether the existing Caesars Human Resources building would remain after construction of the proposed marketplace. Mr. Ortzman responded the building will remain in place. Ms. Diane Farb, manager of the Tun Tavern, stated the owners of Tun Tavern are not in favor of the CRDA using the parking lot utilized by Tun Tavern for this project. Mr. Palmieri responded that the CRDA owns the lot, and that it is examining several possible locations for the marketplace project. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Owens. Resolution 13-20 was approved by unanimous vote of the members.

Mr. Gant left the meeting at 3:05 pm.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING A PRELIMINARY DETERMINATION OF PROJECT ELIGIBILITY FOR THE TROPICANA ATLANTIC CITY CORPORATION BOARDWALK FAÇADE REVITALIZATION PROJECT IN FURTHERANCE OF THE BOARDWALK REVITALIZATION PROJECT



The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Mark Petrella, Principal Architect for SOSH, presented the project. In response to Mr. Tolson's question about project opening, Mr. Petrella stated they expect to open Chickie and Pete's in the coming summer. Hearing no further member discussion, the Chair opened the matter to public comment. Mr. William Cheatham inquired if there were any planned improvements to the beach. Mr. Richard DeLucry, attorney for Tropicana, stated the project does not include beach improvements. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Tolson. Resolution 13-21 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY PERTAINING TO THE ATLANTIC CITY COMMUNITY
DEVELOPMENT PROGRAM**

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Levinson and seconded by Mr. Garrison. Resolution 13-22 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY GRANTING PROJECT APPROVAL, A FUND
RESERVATION IN AN AMOUNT NOT TO EXCEED \$30,000 FROM THE
TOURISM DISTRICT AND COMMUNITY DEVELOPMENT FUND, AND
THE NEGOTIATION AND EXECUTION OF GRANT AGREEMENT WITH
THE SCHULTZ-HILL FOUNDATION ALL IN FURTHERANCE OF THE
2013 ENTERTAINMENT FOR SENIORS PROJECT**

The resolution was read by title. Mr. Kyle entered his recusal. Mr. Palmieri described the proposed action. Mr. Gary Hill thanked the Authority for its support and commented that the first event had been held last week and was attended by over 200 senior citizens. Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Shaughnessy and seconded by Mr. Kehoe. Resolution 13-23 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AMENDING THE CONTRACT WITH PARKER INTERIOR
PLANTSCAPE, INC D/B/A PARKER 3D IN FURTHERANCE OF THE**



WINTER DECORATIONS 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 appreciation of the decorations. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Owens. Resolution 13-24 was approved by a vote of 13-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY EXTENDING THE CONTRACT WITH CONTROLLED ENVIRONMENTAL SYSTEMS INC FOR PRE-DEMOLITION ASBESTOS ABATEMENT SERVICES ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2013

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Mulcahy and seconded by Mr. Shaughnessy. Resolution 13-25 was approved by a vote of 13-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDING A PROFESSIONAL SERVICES AGREEMENT TO HEALTH AND SAFETY SERVICES, INC FOR ASBESTOS CONSULTING SERVICES ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2013, WITH AN AUTHORIZED SPENDING LIMIT NOT-TO-EXCEED \$200,000

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Spencer. Resolution 13-26 was approved by a vote of 13-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY EXTENDING THE CONTRACTS WITH ENTERPRISE NETWORK RESOLUTIONS CONTRACTING, LLC AND LUZON, INC FOR ENVIRONMENTAL REMEDIATION SERVICES ON AN AS-NEEDED BASIS JUNE 30, 2014



The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Garrison and seconded by Mr. Levinson. Resolution 13-27 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY AUTHORIZING THE AWARD OF PROFESSIONAL
SERVICES AGREEMENTS TO CHICAGO TITLE INSURANCE
COMPANY AND DIRECT TITLE CORPORATION TO PROVIDE TITLE
AGENCY SERVICES ON AN AS-NEEDED BASIS THROUGH
JANUARY 31, 2014 WITH AN AGGREGATE SPENDING LIMIT OF
\$250,000**

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Levinson. Resolution 13-28 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY GRANTING A PRELIMINARY DETERMINATION OF
PROJECT ELIGIBILITY FOR THE ATLANTIC CITY SKATEBOARD
PARK 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. Cheatham expressed his concern for the safety of participants and liability of the city. Mr. Palmieri stated the Authority believes that such concerns can be managed. Mr. Palmieri also stated that the Authority is examining different sites for the park in addition to the proposed site next to the Tanger Outlets. Mr. Jason Forslund, founder of the Atlantic City Skateboarding Association, thanked the members for their consideration of the project, and expressed his support for the proposed site next to the Outlets, indicating that families with skateboarders would be attracted to the location. Mr. Kyle asked where the closest similar facility is to the proposed site. Mr. Forslund responded that there is a park in North Wildwood, which is professionally designed. Mr. Kyle additionally inquired if Mr. Forslund had seen the designs for the proposed park in the city, to which Mr. Forslund responded in the affirmative, indicating that the designs, if implemented, would attract professional and amateur skaters. Mr. Nick Gantoway of Atlantic City stated the city needs more activities for its youth.



Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Garrison and seconded by Mr. Kyle. Resolution 13-29 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY PERTAINING TO A POTENTIAL LAND SWAP WITH THE
CITY OF ATLANTIC CITY**

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Levinson. Resolution 13-30 was approved by a vote of 12-0-1, with an abstention from Mr. Griffin.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING THE NEGOTIATION AND EXECUTION OF
AN INTER-GOVERNMENTAL AGREEMENT WITH THE CITY OF
ATLANTIC CITY FOR AUGMENTED CODE ENFORCEMENT
RESOURCES IN THE ATLANTIC CITY TOURISM DISTRICT**

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Kyle inquired if the City had agreed to the terms of a contract. Mr. Weiss stated that the Authority is still in negotiations with the city. Mr. Kyle further inquired if the city had acted on the failure of the Delilah's Club to comply with the city's mercantile license ordinance. Mr. Weiss responded that despite some initial reluctance, the city had issued a letter to the property owner. Mr. Mulcahy stated that the reason the CRDA is seeking to advance the proposed action is because the city is not enforcing its code in the District, and more needs to be done.

Hearing no further member discussion, the Chair opened the matter to the public. Mr. William Cheatham expressed disappointment that casinos do not maintain their properties. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Tolson. Resolution 13-31 was approved by a vote of 12-0-1, with an abstention from Mr. Kyle.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY GRANTING A PRELIMINARY DETERMINATION OF
PROJECT ELIGIBILITY FOR THE MISS AMERICA PAGEANT
PROJECT**



The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Mulcahy stated the casinos are in support of the Pageant's return. Hearing no further member discussion, the Chair opened the matter to the public. Mr. William Cheatham thanked the members for bringing the pageant back. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Levinson. Resolution 13-32 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION
IN AN AMOUNT NOT TO EXCEED \$15,000 FROM THE ATLANTIC
CITY HOUSING AND COMMUNITY DEVELOPMENT FUND FOR
ENGINEERING SERVICES TO AUGMENT THE CAPITAL
EXPENDITURE ASSESSMENT OF THE TOURISM DISTRICT
PREPARED IN ACCORDANCE WITH RESOLUTION 11-54 ADOPTED
JUNE 21, 2011**

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Kyle indicated that the city seems to be paying for non-functioning street lights. Mr. Mulcahy stated there are hundreds of lights that need to be addressed. Hearing no further member discussion, the Chair opened the matter to the public. Mr. William Cheatham commented the citizens should be more proactive in contacting Atlantic City Electric about lights that are not in working order. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Owens. Resolution 13-33 was approved by a vote of 13-0.

ADMINISTRATION AND PERSONNEL

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT
AUTHORITY APPROVING THE PROCUREMENT OF LAND USE
MANAGEMENT SOFTWARE LICENSE AND RELATED SERVICES
FROM SHI INTERNATIONAL INC UNDER STATE CONTRACT M-0003,
WITH A TOTAL SPENDING AUTHORIZATION NOT TO EXCEED
\$45,234 WITH ANNUAL SOFTWARE MAINTENANCE FEE NOT TO
EXCEED \$2,916**

The resolution was read by title. Mr. Palmieri described the proposed action. Ms. DiLorenzo inquired if the fees include training of the staff to which Mr. Weiss confirmed it did. Hearing no further member discussion or public comment, the Chair requested a



motion. A motion was made by Mr. Spencer and seconded by Mr. Garrison. Resolution 13-34 was approved by a vote of 13-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A NOTICE OF PROPOSED NEW RULE PROCEDURES FOR ATLANTIC CITY TOURISM DISTRICT LAND USE REGULATIONS AT N.J.A.C. 19:66 – 1.1 THROUGH 5.4 IN ACCORDANCE WITH THE ADMINISTRATIVE PROCEDURES ACT, N.J.S.A. 52:14B-1 ET SEQ.

The resolution was read by title. Mr. Palmieri described the proposed action. Mr. Rebeck inquired if the rules would be heard again for approval after a period for public comment to which Mr. Weiss responded in the affirmative. Hearing no further member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Shaughnessy and seconded by Mr. Levinson. Resolution 13-35 was approved by a vote of 13-0.

SPECIAL IMPROVEMENT DISTRICT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE PROCUREMENT OF ONE 2013 NEW HOLLAND BACKHOE FROM GAITHERSBURG EQUIPMENT COMPANY UNDER STATE CONTRACT G-8017, WITH A TOTAL SPENDING AUTHORIZATION NOT TO EXCEED \$78,329

The resolution was read by title. Mr. Palmieri described the proposed action. Hearing no member discussion or public comment, the Chair requested a motion. A motion was made by Mr. Garrison and seconded by Mr. Levinson. Resolution 13-36 was approved by a vote of 13-0.

PUBLIC COMMENT

Mr. Mulcahy announced that Mr. Brett Tanzman of the Governor's Authorities Unit will be taking employment in the private sector and this would be his last meeting.



Mr. Ernest Conover of Atlantic City presented information about bringing a roller skating rink to the Atlantic City area. Mr. William Cheatham expressed his concern for safety and operations at such facilities. Ms. Tracy Medley, operator of Camden skating rink and manager of United Skates of America, presented the background of United Skates of America. Mr. Conover and Ms. Medley indicated that the Mayor was supportive of their proposal. Ms. Carol Ford stated now is the time to do something for the community and its youth. Mr. Robert Richardson, Skatebook LLC, suggested tying together the skateboard and roller skating.

With no further business, the Chair requested a motion to adjourn the meeting. A motion was made by Mr. Garrison and seconded by Mr. Kyle. The meeting was adjourned by unanimous vote of the members.

CERTIFICATION

I, HOWARD 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:

February 19, 2013



HOWARD KYLE SECRETARY