



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

MINUTES – PUBLIC MEETING 14-10
October 21, 2014

PRESIDING: Chair, James Kehoe

PRESENT: Tom Ballance, 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, Frank Spencer, Richard Tolson,

ABSENT: Gary T. Puma

STAFF: John F. Palmieri, Susan Ney Thompson, Val Berzins, Lisa Britt, Rosalind Kincaid, Rose Ann Lafferty, Lance Landgraf, Thomas Meehan, Oriana Mondragon, Ali Reynolds, Bunny Rixey, Rick Santoro, Heather Walls, Paul G. Weiss, Esq. David Zuba

OTHER

ATTENDEES: Christopher Howard, Governor's Authorities Unit

OPENING STATEMENT

The special 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 SEPTEMBER 15, 2014

The Chair requested a motion to approve the minutes of the September 15, 2014 Members' Meeting. A motion was made by Mr. Spencer and seconded by Mr. Tolson. Resolution 14-136 was approved by the 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. Mulcahy and seconded by Mr. Levinson. The Treasurer's report was approved and adopted by the unanimous vote of the members.

EXECUTIVE DIRECTOR'S REPORT

Mr. Palmieri provided the Members on the status of the Authority's efforts to market its



Luxury Tax Revenue Bonds, Series 2014, the proceeds of which will be used to defease existing NJSEA debt, unwind and settle the investor member interest in Boardwalk Hall, and provide new capital for maintenance and improvements to Boardwalk Hall and the Convention Center.

LAND USE REGULATION AND ENFORCEMENT

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING PRELIMINARY AND FINAL SITE PLAN APPROVAL AND VARIANCE RELIEF FOR CONSTRUCTION OF IMPROVEMENTS AT 1000 BOARDWALK, BLOCK 1, LOTS 144 - 147, ATLANTIC CITY, NEW JERSEY UNDER APPLICATION 2013-06-679

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair opened the matter to public comment. Mr. William Cheatham inquired if the beach will still be accessible to the public. Mr. Kehoe responded yes. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Tolson and seconded by Mr. Mulcahy. Resolution 14-138 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A CERTIFICATE OF NONCONFORMITY FOR LYNELLE BARD-HAIRSTON UNDER APPLICATION 2014-07-1146

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Hill. Resolution 14-139 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING PRELIMINARY AND FINAL SITE PLAN APPROVAL AND VARIANCE RELIEF FOR CONSTRUCTION OF RETAIL IMPROVEMENTS AT 2701 BOARDWALK, BLOCK 32, LOT 8, ATLANTIC CITY, NEW JERSEY UNDER APPLICATION 2014-04-1030

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Palmieri and Mr. Landgraf responded to various questions of the members concerning the location of the property, the proposed use and parking facility. Hearing no further member discussion, the Chair opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Tolson. Resolution 14-140 was approved by unanimous vote of the members.

**ADMINISTRATION AND PERSONNEL COMMITTEE****RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE AWARD OF A PROFESSIONAL SERVICES AGREEMENT TO PUBLIC RESOURCES ADVISORY GROUP TO PROVIDE BOND RATING SERVICES THROUGH NOVEMBER 30, 2015**

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair 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. Mulcahy. Resolution 14-141 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE AWARD OF PROFESSIONAL SERVICES AGREEMENTS WITH NW FINANCIAL GROUP, LLC AND ACACIA FINANCIAL GROUP, INC TO PROVIDE FINANCIAL ADVISORY SERVICES ON AN AS-NEEDED BASIS THROUGH NOVEMBER 30, 2016

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Mullen inquired if the rates for these services are consistent with rates the Authority has paid previously. Mr. Palmieri responded that the rates are similar to those previously paid for these services. Hearing no further member discussion, the Chair 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. Kyle. Resolution 14-142 was approved by unanimous vote of the members.

AUDIT COMMITTEE**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE AWARD OF A PROFESSIONAL SERVICES AGREEMENT WITH WISS AND COMPANY, LLC TO SERVE AS OUTSIDE AUDITOR FOR 2014 THROUGH YEAR-END 2016, WITH A TOTAL CONTRACT SPENDING LIMIT OF \$175,500**

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair 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. Spencer. Resolution 14-143 was approved by unanimous vote of the members.

ATLANTIC CITY DEVELOPMENT AND PROJECT REVIEW COMMITTEE



RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE APPOINTMENT OF COMMISSIONERS TO SERVE ON THE ATLANTIC CITY TOURISM DISTRICT ADVISORY COMMISSION ESTABLISHED PURSUANT TO P.L. 2011, CHAPTER 18

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair 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 14-144 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AWARDED COMMUNITY DEVELOPMENT PROGRAM GRANTS IN THE AGGREGATE AMOUNT NOT TO EXCEED \$197,587 FROM THE TOURISM DISTRICT AND THE COMMUNITY DEVELOPMENT FUND, AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF GRANT AGREEMENTS, ALL IN FURTHERANCE OF THE ATLANTIC CITY COMMUNITY DEVELOPMENT PROGRAM

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Palmieri asked that the approval be amended to defer the proposed award of a grant to the Atlantic City Moose Lodge 216 to allow for further examination of the application by Authority staff. As such, Mr. Palmieri requested that the members consider an amended Resolution reducing the aggregate grant award \$148,087. Mr. Hill commended the volunteers and staff of the organizations listed for their work in the community. Hearing no further member discussion, the Chair opened the matter to public comment.

Jonathon Diego from the Spanish Community Center, Elaine Scott from Golden Circle, Dr. Basilyn D. Bunting from American Engineering and Science Robotics Academy, David Pinto from the African American Heritage Museum, and Brian Nelson from the Covenant House expressed their appreciation for the Authority's support. Hearing no further public comment, the Chair requested a motion. A motion to approve the Resolution, as amended, was made by Mr. Tolson and seconded by Mr. Spencer. Resolution 14-145 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY EXTENDING THE CONTRACT TO IACONELLI CONTRACTING INCORPORATED AND SHORE BUILDING CONTRACTORS, INC TO PROVIDE PROPERTY BOARDING AND SECURING, DEBRIS REMOVAL, FENCE AND PLAQUE INSTALLATION SERVICES ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2015 WITH A NOT-TO-EXCEED SPENDING LIMIT BY \$75,000

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair



requested member discussion. Hearing no member discussion, the Chair 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. Kyle. Resolution 14-146 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
EXTENDING THE CONTRACT WITH AAA PARAMOUNT UNITED LLC FOR
PROPERTY MAINTENANCE, LANDSCAPING AND SNOW REMOVAL SERVICES
ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2015 AND INCREASING
THE CONTRACT SPENDING AUTHORIZATION TO \$79,000**

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair 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. Mulcahy. Resolution 14-147 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
AMENDING RESOLUTION 14-123 PERTAINING TO THE ATLANTIC CITY FOR-
HIRE TRANSPORTATION SERVICES STUDY**

The resolution was read by title. Mr. Kyle recused himself. The Chair requested member discussion. Hearing no member discussion, the Chair opened the matter to public comment. Hearing no public comment, the Chair requested a motion. A motion was made by Mr. Spencer and seconded by Mr. Tolson. Resolution 14-148 was approved by unanimous vote of the eligible members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
PERTAINING TO THE DISPOSITION OF REAL PROPERTY AT ONE NORTH
BOSTON AVENUE, ATLANTIC CITY, NEW JERSEY**

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Hearing no member discussion, the Chair 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. Spencer. Resolution 14-149 was approved by unanimous vote of the members.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
PERTAINING TO THE PACIFIC AVENUE MIDTOWN REDEVELOPMENT PROJECT**

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Gant inquired as to the proposed acquisition price relative to current fair market values for casino properties in the City. Mr. Palmieri replied that the value budgeted for the John Brooks Recovery Center (the "Center")



property was based on an assessment of its 100-bed income generating characteristics and the unique regulatory approval associated with the property. Mr. Tolson asked how the budgeted relocation cost was determined. Mr. Palmieri responded that the Center provided a detailed budget from a reputable construction management company. Hearing no further member discussion, the Chair opened the matter to public comment. Mr. William Cheatham inquired about the off island location for these social services. Mr. Palmieri responded that a location has yet to be finally identified by the Center. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Levinson and seconded by Mr. Kyle. Resolution 14-150 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING (I) A SUPPLEMENTAL FUND RESERVATION IN AN AGGREGATE AMOUNT NOT-TO-EXCEED \$4,000,000, FROM ATLANTIC CITY TOURISM DISTRICT AND COMMUNITY DEVELOPMENT FUND AND (II) THE NEGOTIATION AND EXECUTION OF LOAN DOCUMENTS AND/OR AMENDMENTS THERETO, ALL IN FURTHERANCE OF THE STEEL PIER REVITALIZATION PROJECT

The resolution was read by title. Mr. Palmieri described the proposed action. The Chair requested member discussion. Mr. Gant questioned whether the proposed project was similar to a similar amenity in Las Vegas, which apparently was not making its projected revenue target. Mr. Palmieri responded that a comparison to the wheel in Las Vegas had previously been made, but that there are other more appropriate comparative sites on the east coast that appear to be successful. Mr. Mulcahy offered that the observation wheel in Las Vegas is not doing very well due to its ticket price and length of ride. Mr. Mulcahy commented that the observation wheel in Atlantic City is expected to be priced between \$8-11 per ticket and that the operator will control the length of ride time. Mr. Gant inquired if the terms and conditions outlined in Exhibit A to the Resolution will be part of the written contract between the CRDA and the borrower. Mr. Palmieri responded in the affirmative. Hearing no further member discussion, the Chair opened the matter to public comment. Mr. William Cheatham inquired about the location of the entrance to the observation wheel. Mr. Catanoso of Steel Pier replied that people will be able to enter from the boardwalk and from the pier. Mr. Cheatham inquired about plans for the bridge from the Taj Mahal Casino. Mr. Catanoso replied that there are plans to rent the bridge. Hearing no further public comment, the Chair requested a motion. A motion was made by Mr. Hill and seconded by Mr. Guardian. Resolution 14-151 was approved by unanimous vote of the members.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY IN RECOGNITION OF SUSAN NEY THOMPSON

The Chair read the resolution. Mr. Kehoe and Mr. Mulcahy thanked Ms. Thompson for her years of service to the Authority. A motion was made by Mr. Spencer and seconded by Mr. Kyle. Resolution 14-137 was approved by unanimous vote of the members.

**PUBLIC COMMENT**

Mr. William Cheatham, Mr. Pinky Kravitz, Mr. Alan Oberman, Ms. Joyce Hagen and Mr. Jack Olenta all expressed their appreciation for Ms. Thompson's service to the Authority.

Ms. Lynne Hall of Atlantic City asked if the Authority would grant permission to use its parking lots for those receiving services at the South Jersey AIDS Alliance on Gordon's Alley. The Chair asked that Ms. Hall speak with Ms. Ali Reynolds following the meeting.

Mr. Pinky Kravitz of Ventnor commented about the motels on the Black Horse Pike in West Atlantic City. He stated his belief that these motels need to be demolished immediately. Mr. Kravitz also commented that Pacific Avenue needs to be cleaned up. Lastly, Mr. Kravitz suggested that colored lighting be added to the monument on Albany Avenue.

Mr. Jack Olenta commented that CRDA should provide more room for public attendance for its meetings and use a microphone so that discussion could be better heard by the public in attendance. He also stated that Senator Whelan has encouraged him and other members of the public to begin attending these meetings and that he expects increased attendance at meetings going forward.

Mr. William Cheatham asked the members not to overlook the light house on the Black Horse Pike coming into the city and added that there should be an effort to save some of the city's historical buildings. Mr. Cheatham also commented that the residents of Atlantic City should do their part to make the community successful by keeping the city clean and taking pride in their own neighborhoods.

Ms. Lynne Hall inquired why the Narcotics Anonymous meetings previously held in a building on Maryland Avenue had been stopped. The Chairman advised Ms. Hall that the CRDA does not own the property. Mayor Don Guardian replied that the Housing Authority is the owner of the building.

Elaine Scott inquired about senior transportation services. Mr. Kehoe directed Ms. Scott to Ms. Reynolds.

Mr. Olenta inquired when the boardwalk jitney tram will start. Mayor Don Guardian responded that it will start in two weeks.

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

The resolution was read by title. A motion was made by Mr. Tolson and seconded by Mr. Levinson. Resolution 14-152 was approved by unanimous vote of the members.

Upon returning to the open public session portion of the meeting, and having no further business, the Chair requested a motion to adjourn. A motion was made by Mr. Shaughnessy and seconded by Mr. Levinson. Motion to adjourn was approved by unanimous vote of the members.

CERTIFICATION

I, PAUL G. WEISS, ESQ, 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:

October 21, 2014

PAUL G. WEISS, ESQ, ASSISTANT SECRETARY