

CASINO REINVESTMENT DEVELOPMENT AUTHORITY

LAND USE REGULATION and ENFORCEMENT DIVISION

SHOWBOAT RENAISSANCE, LLC

THE APPLICANT IS SEEKING PRELIMINARY AND FINAL
MAJOR SUBDIVISION APPROVAL AND REQUIRED VARIANCE
RELIEF TO SUBDIVIDE THE EXISTING SEVEN LOTS INTO
FIVE LOTS.

800 Atlantic Avenue; 801 Boardwalk; 800, 804 and
810 Pacific Avenue; 160 and 170 South New Jersey
Avenue, Atlantic City, New Jersey

1 Thursday - February 4, 2021
2 -----

3 Public hearing in the above-
4 referenced matter, taken via the videoconference
5 software program Zoom, with all participants in
6 separate locations due to the State of New
7 Jersey's COVID-19 lockdown, before Karen A.
8 Haworth, a New Jersey Certified Court Reporter
9 (CCR), nationally certified Registered
10 Professional Reporter (RPR), nationally certified
11 Certificate of Merit holder (CM), nationally
12 certified Certified Realtime Reporter (CRR),
13 nationally certified Certified LiveNote™
14 Reporter (CLR), and Notary Public of the State of
15 New Jersey, on the above date, commencing at
16 10:00 a.m., there being present:

17
18
19
20 APPEARANCES:

21 CASINO REINVESTMENT DEVELOPMENT AUTHORITY:

22
23 LANCE B. LANDGRAF, JR.
24 Chairman
25 Director, Planning Department

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CASINO REINVESTMENT DEVELOPMENT AUTHORITY

(CONTINUED) :

ROBERT L. REID
Land Use Enforcement Officer

PROFESSIONALS TO THE BOARD FOR THIS HEARING:

SCOTT G. COLLINS, ESQUIRE
RIKER, DANZIG, SCHERER, HYLAND & PERRETTI

JANE FONTANA, ESQUIRE
Assistant General Counsel, CRDA

KATHERINE CORNFORTH
ADAMS, REHMANN & HEGGAN

STUART WISER
ADAMS, REHMANN & HEGGAN

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ALSO PRESENT FOR CRDA:

DANIEL DONOHOE
Geographic Information System Specialist

COUNSEL FOR THE APPLICANT:

KEVIN SHEEHAN, ESQUIRE
PARKER, McCAY, ESQUIRES

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I N D E X

WITNESS (ES)

PAGE NO.

ARTHUR W. PONZIO

By: Kevin Sheehan

12

EXHIBITS MARKED AND/OR REFERRED TO:

B-1

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[COURT REPORTER'S NOTE:

THIS PUBLIC HEARING WAS CONDUCTED
VIA THE VIDEOCONFERENCE SOFTWARE PROGRAM
ZOOM. DURING THE TIME OF THIS PUBLIC
HEARING, THE STATE OF NEW JERSEY WAS UNDER
A LOCKDOWN DUE TO THE COVID-19 PANDEMIC.

ALL ATTENDEES TO THIS PUBLIC
HEARING WERE PARTICIPATING FROM THEIR OWN
WORKSPACE THROUGH THEIR COMPUTER OR
CELLULAR TELEPHONE.]

(Time noted: 10:01 a.m.)

LANCE LANDGRAF: All right. I'll
call to order the February 4th, 2021 Land Use
Regulation and Enforcement Division hearing for
the CRDA.

If you would all please rise and
join me in the Pledge of Allegiance.

(The Pledge of Allegiance was
recited at this time.)

LANCE LANDGRAF: Thank you.

I know a lot of remote meetings

1 don't do that, but I think -- still think it's
2 important.

3 This hearing has been noticed in
4 accordance with the Senator Byron M. Baer Open
5 Public Meetings Act.

6 We have just one item on the agenda
7 today, and that is Application 2021-01-2910,
8 Showboat Renaissance, LLC, 800 Atlantic Avenue,
9 801 Boardwalk. Also, 800, 804 and 810 Pacific
10 Avenue and 160 and 170 South New Jersey Avenue.
11 In the RC, Resort Commercial, District.

12 The applicant is seeking preliminary
13 and final major subdivision approval with
14 required variance relief to subdivide the
15 existing seven lots into five lots.

16 If you're on from the public, there
17 is a link on our website. It was on the notice
18 for this application. I'm not gonna read that
19 entire link, but it is available on -- on the
20 invitation.

21 Rob, can you confirm we've had
22 proper notice for the application?

23 ROBERT REID: Yes. I've -- I've
24 reviewed the Proof of Service provided by the
25 applicant, and we have jurisdiction to hear this

1 application.

2 LANCE LANDGRAF: Thank you.

3 I'm gonna add a -- a little step in
4 here and I'm gonna ask Adams, Rehmann & Heggan,
5 either Katherine or Stuart, to just review
6 completeness real quick. I'm just gonna add that
7 as a step before we get into the actual
8 application. Either "Karen" or Stuart, could you
9 address that? Katherine. Excuse me.

10 KATHERINE CORNFORTH: Sure. So, the
11 --

12 We did -- we did deem the
13 application complete. Their --

14 I know, originally, when it came --

15 I think the -- the application we
16 received was -- was for -- was minor, but then it
17 was deemed to be a major.

18 The only thing that we would request
19 is there's a lot of items that would have been
20 part of the -- a major subdivision application
21 that doesn't -- that doesn't apply to this
22 project because this project is just a
23 consolidation, but we would just ask, formally,
24 waivers be requested for it. There --

25 It's not really applicable to the

1 project, so we deemed it complete.

2 LANCE LANDGRAF: Okay. Thank you.

3 And -- and I'll ask Mr. Sheehan to
4 address those as -- as we go through these -- the
5 review process.

6 And I agree. A lot of those aren't
7 -- aren't pertinent to this particular
8 application. We're, again, realigning lot lines
9 on -- on the site. This is --

10 If we look at a start to finish plan
11 of these subdivision lines, they're going to be
12 crisscrossing all over the place, I think. But,
13 hopefully, today, we'll get them straight where
14 we need them to be and move the project forward.

15 So, Kevin, if you could begin your
16 presentation, and then we'll have Scott swear in
17 any witnesses as we get to them.

18 KEVIN SHEEHAN: Sure. Thanks,
19 Lance.

20 So, this is Block 61, Lots 22
21 through 28. It's the Showboat resort from
22 Pacific Avenue to the Boardwalk, along New Jersey
23 Avenue.

24 There are seven existing lots on the
25 site. The board had approved a water park, final

1 approval, actually, in December. And there's
2 plans for additional --

3 The CRDA board approved the
4 redevelopment plan for the Boardwalk. And
5 there's plans for development of the land just in
6 front of the Boardwalk and along the Boardwalk,
7 in accordance with the redevelopment plan, as
8 well.

9 So, what we're trying to do is to --
10 in order to finance the projects, we're trying to
11 create a subdivision where each of the individual
12 projects is on its own tax lot so that they can
13 be financed separately and liens placed on those
14 properties separately.

15 I was gonna have Art just go through
16 the presentation rather than repeat what I know
17 he's going to say, but before I do that, do you
18 want us to go through each of the items that are
19 on the checklist for which are not applicable and
20 request waivers for them?

21 LANCE LANDGRAF: I think, if you
22 just reference --

23 Because I think, Katherine, you guys
24 went through and said which ones are not
25 pertinent?

1 KATHERINE CORNFORTH: Correct.

2 LANCE LANDGRAF: I know, if you just
3 provide some testimony as to why they were not,
4 in bulk, I don't think we need to go through each
5 item.

6 KEVIN SHEEHAN: Sure. I'll ask Bart
7 to do that.

8 So, we have an ARH's report dated
9 February 1, 2021 with a checklist, and there are
10 several items that are checked off as not
11 applicable to this application. They're related
12 to stormwater management, grading plans,
13 landscape plans, lighting plans, soil erosion,
14 roads, solid waste management, architectural
15 plans, and similar reports.

16 There is no development proposed
17 with this application; it is merely to redraw the
18 lot lines that are currently existing. So, those
19 are the -- that's why they are not applicable,
20 and we are requesting waivers. And I'll ask Art
21 to address that as well.

22 But, if we have Art sworn in and all
23 of that, I'll let him go through the subdivision.

24 LANCE LANDGRAF: Okay. Scott, could
25 you swear him in?

1 SCOTT COLLINS: Good morning.

2 Do you swear to tell the truth, the
3 whole truth and nothing but the truth in your
4 testimony here today?

5 ARTHUR PONZIO: I do.

6 SCOTT COLLINS: Okay. And we're
7 gonna --

8 You'll be testifying as a
9 professional land surveyor or planner or both?

10 ARTHUR PONZIO: Planner and land
11 surveyor for this particular case. Yes.

12 LANCE LANDGRAF: Art, can you turn
13 your volume up a little bit? It's difficult to
14 hear you. Or get closer to the microphone,
15 maybe.

16 ARTHUR PONZIO: Yeah. I'm kind of
17 far back. Is that better?

18 SCOTT COLLINS: Yes.

19 LANCE LANDGRAF: Yes. Much better.
20 Thank you.

21 ARTHUR PONZIO: Good.

22

23 DIRECT EXAMINATION BY

24 KEVIN SHEEHAN:

25 Q. So, Art, are you testifying --

1 you're testifying as a professional planner and a
2 professional land surveyor?

3 A. Yes.

4 KEVIN SHEEHAN: Okay. Do I need to
5 qualify him, or has he been before the board on
6 other --

7 LANCE LANDGRAF: No. He's -- he's
8 accepted in both of those fields as an expert in
9 those fields.

10 BY KEVIN SHEEHAN:

11 Q. So, Art, can you talk about the
12 existing conditions of the proposed subdivision
13 and address the variances, with the positive and
14 negative criteria, please?

15 A. All right. Thank you.

16 ARTHUR PONZIO: Do you want to put
17 the drawing up? It might be a little easier that
18 way.

19 Oh. There we go.

20 DANIEL DONOHOE: I'm going to give
21 you remote control. So, your mouse should be
22 able to control my screen.

23 ARTHUR PONZIO: Perfect.

24 DANIEL DONOHOE: And you can zoom in
25 and do what you like.

1 ARTHUR PONZIO: Okay

2 SCOTT COLLINS: Could I just
3 interrupt for a second, before we get into it?

4 Are -- are all the exhibits that
5 you'll be referencing part of the application?

6 ARTHUR PONZIO: Yes. This is the
7 only exhibit that I'll refer to.

8 SCOTT COLLINS: Okay. Okay. Thank
9 you very much.

10 KEVIN SHEEHAN: And it's the
11 subdivision plan that was submitted with the
12 application.

13 ARTHUR PONZIO: Yes.

14 SCOTT COLLINS: Okay. And we'll --
15 we'll mark -- we'll just mark the application
16 itself Exhibit 1 and just -- A-1, and then, to
17 the extent that anything else were to be offered,
18 we would go from there.

19 ARTHUR PONZIO: Okay. Thank you.

20 LANCE LANDGRAF: This -- this is
21 subdivision plan. I can't see the date on it, on
22 this, but it's 1 -- sheet 1 of 1. Subdivision
23 plan prepared by Arthur W. Ponzio, Jr.

24 ARTHUR PONZIO: Okay. Very good.
25 Thank you.

1 Okay. The subdivision that we're
2 here today to speak about is of the Showboat
3 Resort Hotel -- or Hotel Resort property,
4 formerly the Showboat Casino.

5 The property is located on Pacific
6 Avenue at New Jersey and spans all the way back
7 to the Boardwalk on the southerly side.

8 On the west side of the property,
9 the property abuts the former Taj Mahal, now the
10 Hard Rock Casino property. You can see that to
11 the left of -- to the bottom of the screen as it
12 goes toward Maryland Avenue and then further.

13 It's a large property. The property
14 is over 19 acres in total.

15 There's been a lot going on on the
16 property for the past couple years.
17 Mr. Blatstein has -- is -- has embarked on a plan
18 to fully repurpose this property without the
19 casino as a multi-faceted family and adult
20 resort. I think he's long -- a long way along,
21 toward that goal.

22 As Kevin had mentioned a couple
23 moments ago, there's been other approvals.

24 There's a brand new case coming in
25 very shortly. I think Kevin will be submitting

1 that within the next week for other parts of the
2 property.

3 The Authority has looked at this
4 project many times, including the water park, as
5 well as, more recently, some redevelopment work
6 that is planned for the Boardwalk.

7 I notice Barbara is also on the
8 phone -- on -- on the call, from the city. We
9 had conversations with the city yesterday and
10 again, to continue those ideas about the
11 redevelopment on the Boardwalk. So, that's
12 moving along very quickly.

13 There have been CAFRA applications
14 submitted for these different projects along the
15 way. We have received various approvals for
16 those projects.

17 So, this subdivision is a natural
18 piece of the puzzle that follows along after
19 those other projects have been -- have been
20 planned, proposed and are in -- in progress.

21 This, as Kevin mentioned, is being
22 proposed, the subdivision that is, strictly for
23 financing purposes to take the existing lots and
24 realign them to follow the land uses that are
25 there, which I'll describe in a moment, as well

1 as the land uses on this composite property that
2 are being proposed, for financial -- for
3 financing purposes.

4 I call this, more or less, a paper
5 subdivision, which impacts no one other than the
6 owner itself positively. There's -- there's no
7 construction planned. There's no development or
8 anything like that planned specifically with this
9 application. Those -- those development
10 applications were -- are being produced in -- in
11 other -- other submittals, as I mentioned.

12 Okay. So, the proposal is to -- is
13 to divide this property into five pieces. We'll
14 start at the intersection of New Jersey Avenue
15 and Pacific, in the upper left corner there of
16 the -- of the site. That is proposed Lot A, a
17 relatively large site; 4.3 acres. It has 227
18 feet of frontage along Pacific Avenue, here. And
19 then the -- the depth, if you will, or the
20 length, is quite long along New Jersey Avenue,
21 that line, is 885 feet. It looks pretty small on
22 that illustration, but when you think of that,
23 that's close to three football fields long. So,
24 it's quite a -- quite a long piece of property
25 there, a nice piece of property.

1 That site is currently vacant, with
2 the exception of a partial surface parking lot.
3 And that site is the -- the lot that is -- is
4 selected, designed and approved for the proposed
5 water park, hopefully, in the near future.

6 The Lot B -- let's see. Lot B,
7 okay, is more or less right where the cursor is,
8 right there, in the center, let's call it, of the
9 property. If you notice, it's kind of an unusual
10 subdivision, you would say, when you look at
11 that. However, what they've done is -- is go --
12 those lines of that Lot B go around the Premier
13 Lite. That is approximately a 20-story hotel
14 tower on that property. The intent here is
15 obvious; to break that out onto a separate parcel
16 because of existing and -- and future financing
17 so that it's not exactly tied, if you will, to --
18 to -- to other financing. It -- it gives more
19 flexibility to the owner to go out and obtain the
20 right financing for the different parts of this
21 project.

22 That property is .67 acres. It has
23 a -- let's see here. I've got it written down.
24 It's hard for me to read that, guys. It's pretty
25 small.

1 It's got 109 feet by 292 feet.
2 These are round figure numbers for the overall
3 dimension, as it -- as is shown there, .67 acres.

4 So, then we -- we go to Lot C
5 directly adjacent to that on the ocean side, the
6 south side. Lot C is slightly larger; .88 acres.
7 And if you can also notice that, the dark shading
8 in the background there, that is what they call
9 the Orleans Tower. That was the second tower
10 built, by the way, with the Showboat project, the
11 first tower being the Ocean Tower, which I'll
12 describe in a moment. The second being Orleans.
13 The third being -- being the Premier Lite. This
14 property went together in sections.

15 That lot, proposed Lot C, has -- it
16 mentions minimum dimension of 101 feet. That
17 would be in the up-to-down mode on that -- on
18 that plan that you're looking at. And left to
19 right, 287 feet in length. Also a relatively --
20 reasonably -- reasonably sized piece of property.

21 If you notice, there's an appendage
22 that sticks out toward New Jersey Avenue. And if
23 you look closely, there's an access road there.
24 That leads back to loading docks and things in
25 the building, so -- which is why that strip is

1 staying with the Lot C, the Orleans Tower.

2 Lot D. Relatively large parcel at
3 the Boardwalk at New Jersey Avenue. 2.89 acres.
4 That lot is formerly, at one time, used by the
5 CRDA for an outdoor volleyball. It was purchased
6 -- volleyball arena. It was purchased by
7 Mr. Blatstein a couple years ago.

8 It remains as a -- a vacant, open,
9 sandy parcel of ground. There is a significant
10 development plan for that property. Very soon
11 you will be seeing the drawings submitted to the
12 Authority for that. We have a CAFRA permit for
13 that property as we speak.

14 The property has a length along
15 New Jersey Avenue of 455 feet and a depth of 266
16 feet right back to the sidewall, the east wall,
17 of the Showboat building.

18 Lot E is the largest of -- of the
19 five lots. It's right there in the -- in the
20 middle of -- of the drawing. That lot contains,
21 essentially, the originally designed --
22 originally constructed Showboat building. That
23 building's largely intact now. You see the
24 porte cochere, the open area in the center,
25 leading in from Delaware and Pacific Avenue. The

1 Ocean Tower I mentioned a moment ago is on the
2 right side. You can see it there on the drawing;
3 a place for a hotel tower occupied and -- and
4 remaining as we speak.

5 On the left side of Lot -- proposed
6 Lot E is the existing parking garage.

7 Incidentally, for those that may or
8 may not know this, there's also a lower level
9 garage for parking underneath the building, which
10 was built originally with the -- with the
11 Showboat project. Largely, that was used for
12 valet and, pretty much, it still is.

13 So, Lot E, this lot, has an area of
14 over ten acres, 10.3 acres. It has quite a long
15 run, if you will, from Pacific Avenue back of
16 about 1,400 feet and a frontage of 292 feet along
17 Pacific Avenue.

18 Now, in order to achieve the
19 subdivision, there are a few variances that you
20 can appreciate. And largely -- I guess, not
21 largely, but they all are as a result of
22 subdividing along building lines to create new
23 boundaries as I just described.

24 Surprisingly, the variances are not
25 more extensive than they are because these are

1 large -- large properties that generally meet the
2 requirements of the ordinance.

3 So, these variances are for Lot C,
4 that lot right there, for Lot C, the lot depth.
5 We needed 150 feet. And as I mentioned a moment
6 ago, we have frontage on -- on New Jersey. And
7 the lot depth we're measuring in the minimum,
8 which would be right there, at 101 feet where 150
9 feet is the required -- is required.

10 Building coverage. This -- this
11 comes into play again because of the subdivision
12 along the -- the lines that are adjacent to the
13 existing buildings.

14 So, if we look at Lot A -- let's see
15 what we've got here -- I'm sorry. Lot B.

16 Again, the same lot. With 77.9
17 percent building coverage, whereas 70 percent is
18 permitted by the ordinance.

19 Lot C, if we -- adjacent has 74.8
20 percent in building coverage. Very similar to
21 the lot adjacent to it.

22 And then the large lot, at Lot E,
23 counting everything into play there, has 76.8
24 percent coverage. You could see that just
25 clearly -- clearly looking at it. It looks about

1 -- you know, it looks about the two-thirds of the
2 property that's covered by -- by building.

3 Side yard setbacks. So, we're
4 permitted to have a setback of zero, such as
5 would exist here. You can see that in the lot
6 line right along the building wall.

7 And basically, the other lot lines
8 that are zero along Lot C, the divider between C
9 and B, and then Lot B where -- where it
10 intersects Lot A on the left side, here.

11 So, the requirement is -- allows --
12 that is a zero setback. However, above 35 feet
13 is a 20-foot set -- taper that is set back
14 further so that the building with any proposed
15 building constructed with a zero setback would
16 not look up in a straight tall wall, like -- like
17 you're walking down the street in Philadelphia or
18 New York. Many, many buildings are built that
19 way.

20 In Atlantic City, there was -- that
21 requirement's been in the ordinance for years
22 with that setback, and it's worked pretty well.

23 So, however, in a retrofit like
24 this, there are a couple cases here where those
25 walls may be more than 35 feet tall before that

1 setback would occur. So, although it's not
2 pointed out in the ordinance, I just -- to be
3 safe, I'd just like us -- us to ask for that in
4 the event that situation occurs.

5 Like, specifically, there, between
6 the two buildings, those are 20-story buildings.
7 So, that --

8 The property line's invisible,
9 essentially, because it's a -- it's a -- it's a
10 party wall between two buildings.

11 But -- but, that, technically, would
12 be a variance. So, I just want to add that one
13 to the list, if you will.

14 Impervious lot coverage. This
15 follows along with what I just mentioned before.
16 However, impervious in a case of, say, Lot A --
17 that's a parking lot -- this occupies 90 percent,
18 more or less, of the property. So, that's a --
19 that's a variance for -- for the impervious
20 coverage.

21 And then Lot B is -- Lot B, Lot C
22 and Lot E with -- all the lots with the exception
23 of Lot D, the impervious coverage goes above the
24 80 percent that's allowed.

25 So, those are variances, again, for

1 existing conditions, but not -- we're stating
2 fact. We're creating a sub -- we're creating the
3 variance because of the subdivision. So,
4 obviously, we have to ask for that variance.

5 So, I believe that's the extent of
6 the variances that we're asking for. I think
7 they're reasonable because of the type of
8 subdivision that we're speaking about here.
9 Again, it's the paper -- paper-type subdivision
10 of the 19-acre tract of -- of ground.

11 In order to grant these variances,
12 we'll quickly go through the positive and the
13 negative criteria.

14 So, there are certainly purposes of
15 zoning that are advanced with this project. I
16 cited three of them. I reviewed these with Mr.
17 Sheehan as well.

18 The first one would be A, which is
19 -- I call it, generally, the general welfare
20 purpose. And in this particular case, the stated
21 rule is to "Encourage municipal action to guide
22 the appropriate use for development of lands that
23 promote," essentially, the general welfare of the
24 community.

25 So, I think, obviously, the

1 subdivision will help go a long way with the
2 financing, which then, in turn, enables these
3 projects to be built, which then promotes the
4 general welfare of the city, without -- without
5 question. I think everybody's certainly in
6 agreement with that.

7 The second one would be B -- or I'm
8 sorry -- F, which is to "encourage the
9 appropriate expenditure of public funds by
10 coordinating public development with land use
11 policies."

12 So, here's a case where the land use
13 policy -- we -- is out there. We need variance
14 relief from that land use policy to advance the
15 project. So, I think it's a perfect opportunity
16 for this project to -- to further that purpose of
17 -- of zoning.

18 And the last one of the three, M, is
19 "to encourage coordination" -- and again, this
20 one goes right to the heart of this. And we
21 appreciate all of the -- all of the cooperation
22 we've gotten from the City of Atlantic City and
23 the CRDA for this -- all these applications. "To
24 encourage coordination of public and private
25 procedures to shape land development with a view

1 of lessening the cost of the development into the
2 more efficient use of land."

3 That is exactly what this
4 application represents. And -- and I -- again, I
5 appreciate all the -- all the cooperation there.

6 In looking at the negative criteria
7 --

8 This is somewhat unlike a normal
9 development plan or subdivision, where we have to
10 go with more detail into the negative criteria.
11 However, to address the requirement in the
12 Municipal Land Use Law, the negative criteria has
13 two prongs which we have to meet. Simply stated,
14 the -- the first one is that "no variance can be"
15 created -- "can be granted if it would
16 substantially impair the public good."

17 And when you talk "public good" in a
18 case like this, it really has emphasis on the
19 immediate surroundings, the immediate neighbors,
20 if you will, of this property.

21 I think, clearly, there's no impact
22 on neighbors. There's nothing being constructed.
23 These are lines on paper that will certainly not
24 even be visible in the field. Once this project
25 is ultimately built out with these different --

1 different phases, it's gonna look like and act
2 like and be like one composite multi-faceted
3 family and adult resort notwithstanding the fact
4 that there's gonna be five different lots. No
5 one's gonna ever see that.

6 I think, based upon that, we -- we
7 definitely meet the first prong of the negative
8 criteria.

9 And lastly, in the second prong of
10 the negative criteria is that "no variance can be
11 granted if it would impair the purpose and intent
12 of the zone plan and the zoning ordinance."

13 Again, similar to my other statement
14 regarding that negative criteria, the zone
15 ordinance and plan permit this project to be --
16 to be here. The project is certainly one that
17 advances zoning and, also, hits to the master
18 plan and -- and purpose -- I'm sorry -- advances
19 the purpose and intent of the CRDA's master plan.
20 It was quoted in the ARH report very nicely.
21 Thank you for that. I just wanted to put it on
22 the record because I thought it was so well
23 stated. "Where this project is a direct support
24 of the intent of the AC Tourism District master
25 plan" to, quote, "help invigorate Atlantic City

1 in the near term as the leading resort
2 destination in the" -- "in the northeast and
3 beyond."

4 And then "with a key" development --
5 "a key objective to develop an economically
6 viable and sustainable Tourism District and
7 expand Atlantic City's tourism and economic
8 basis."

9 Again, it goes right to the heart of
10 this overall application, which is advanced
11 through the subdivision that we're proposing here
12 today.

13 BY KEVIN SHEEHAN:

14 Q. Art, just one -- one additional
15 question. You heard me summarize the waivers
16 that we are requesting based on the checklist in
17 my statement that the nature of the waivers were
18 -- were not applicable because they -- because
19 there's no development proposed with this
20 application. Would you agree that those items
21 that are in the report of ARH that are identified
22 as not applicable are not applicable because
23 there is no development that fits?

24 A. I do.

25 Typically -- typically, those items

1 are -- are provided with general subdivision
2 projects. This one here, again, for financing,
3 paper subdivision, I agree completely that they
4 are -- I'm not gonna say they're unnecessary, but
5 they do not need to be attached to this
6 particular application.

7 KEVIN SHEEHAN: Mr. Landgraf, we
8 have no further questions or testimony. If we
9 can answer any questions now.

10 LANCE LANDGRAF: Okay. Thank you,
11 Art. Thank you, Mr. Sheehan.

12 Just a couple of questions. The --
13 and this kind of goes back to the -- the water
14 park site plan. And I just want this on the
15 record because I don't believe it does, but I
16 want -- I want you guys to say it, not me saying
17 it.

18 Do the new lot lines affect the
19 water park structure setback lines or anything of
20 that nature?

21 ARTHUR PONZIO: They do not.

22 LANCE LANDGRAF: Okay. Secondly,
23 what's the status of the multi-family apartments
24 in the tower? That is --

25 Has that proposed use been not

1 rescinded, but moved on to -- to make that more
2 of a hotel?

3 ARTHUR PONZIO: Yeah. The status
4 is, some of the rooms have already been converted
5 to apartment uses.

6 The intent here is to take
7 additional rooms that are in the Premier -- I'm
8 -- I'm sorry -- in the Orleans Tower, that is on
9 -- on Lot C. The intent will be to do that so
10 that they can be oriented more toward family
11 longer term stays just -- rather than just
12 overnight rooms.

13 So, you come down to AC with your --
14 your children. You want to stay for five days
15 and go to the water park and enjoy the city and
16 enjoy everything else. That -- those -- that
17 availability is going to be there in that tower.
18 That's the intent, long-term.

19 LANCE LANDGRAF: Good. I think
20 that's a good dual use of those two structures,
21 and -- and I think that's -- that can benefit
22 people coming to town. It's almost like a -- a
23 suite --

24 ARTHUR PONZIO: Yeah.

25 LANCE LANDGRAF: -- or the -- or a

1 time-share, where it has a kitchen and then kind
2 of a setup.

3 So, okay. Good.

4 ARTHUR PONZIO: I --

5 LANCE LANDGRAF: And these
6 variances, I -- I would characterize them as
7 similar to the variances that were granted in the
8 other subdivisions. We're removing these lot
9 lines around, as you indicated, for financial
10 purposes, financing the development on the
11 properties. So, really, they're -- they're
12 really not changing much. Maybe the dimensions
13 are changing, coverages are changes, but, really,
14 the -- the aspect of those variances really
15 aren't changing very much.

16 Last thing. Would it be beneficial
17 -- and this is really a question I would have --
18 to show the -- the water park on the subdivision
19 plan just so it's -- it's --

20 And I'm more asking that to ARH and
21 -- and Scott, on our side, and Rob, even. Does
22 that benefit us showing that on -- on this plan
23 or would that just confuse the heck out of the
24 subdivision plan even more?

25 ROBERT REID: Yeah. I think it

1 doesn't -- it doesn't hurt to -- to -- to show
2 that on there so that everyone understands what
3 the development proposal is, but it doesn't
4 really impact the subdivision process itself.

5 LANCE LANDGRAF: Okay. Stu, what
6 this is --

7 STUART WISER: Just a companion plan
8 that goes along with it that overlays the
9 development that we know of at the moment.

10 LANCE LANDGRAF: All right. Maybe
11 that's been --

12 Art, maybe we add a sheet 2 to this
13 --

14 ARTHUR PONZIO: Yep.

15 LANCE LANDGRAF: -- that shows the
16 water park on it.

17 Because you don't want to file that
18 if -- if the building's not there yet.

19 So, maybe that's a way to handle it.
20 Just so it's -- it ties to the record that, yes,
21 this water park is also gonna be on Lot A and it
22 won't affect the subdivision -- or the setbacks
23 that were approved as part of that site plan.

24 I just want to make sure it's clear
25 down the road when -- when we get that underway.

1 ARTHUR PONZIO: It's a good
2 suggestion.

3 KEVIN SHEEHAN: So, just to be
4 clear, though, Lance, --

5 LANCE LANDGRAF: Sure.

6 KEVIN SHEEHAN: -- the -- the plan
7 that we're gonna record will only be the first
8 page of that plan?

9 ARTHUR PONZIO: Right.

10 LANCE LANDGRAF: Correct. Correct.
11 Really -- really, for documentation in our files
12 so we have it and go back to it. If someone asks
13 the question, you know, your zero setback on
14 New Jersey Avenue, is that part of this
15 subdivision and improvement. We can say, yes,
16 here it is on sheet 2, showing the proposed
17 development on Lot A.

18 ARTHUR PONZIO: On 2.

19 LANCE LANDGRAF: And we'll get these
20 lot numbers from the -- the city and -- because
21 they won't be filed with Lot A, B, C, D and E;
22 they'll be filed with -- with actual --

23 ROBERT REID: Yeah. The tax -- the
24 tax assessor has to approve any lot numbers.

25 ARTHUR PONZIO: Right.

1 LANCE LANDGRAF: Okay. We'll get
2 those numbers on -- on the final plan and -- and
3 the compliance plan.

4 All right. So, Kevin, you're --
5 you're complete with your presentation?

6 KEVIN SHEEHAN: We are.

7 LANCE LANDGRAF: ARH, if you guys
8 can go through. I don't know who wants to start;
9 either Stuart or Katherine. You guys could go
10 through your report for us.

11 And that report will be marked as
12 B-1.

13 STUART WISER: I -- I really don't
14 have much to add. I think Art --

15 First of all, good to see you, Art.

16 ARTHUR PONZIO: Same here, Stu.

17 STUART WISER: It's been a long
18 time.

19 I don't have anything to add other
20 than Art's quoting of our report.

21 There are no planning issues,
22 per se, related to this.

23 So, I would just turn it over to
24 Katherine.

25 KATHERINE CORNFORTH: The only

1 comment we had related to the subdivision plan
2 itself is, when we were verifying the lot
3 closures and the areas, we were very, very close
4 to your areas. We were a little bit off on them.
5 So, yeah. I had the comment to just verify it.

6 If you could provide the closure --
7 the information for your lots. The -- the two
8 lots we had -- that I had -- we had an issue
9 verifying. I'm not -- I'm not gonna sit here and
10 say they don't close, which is why I asked for
11 the closure information just so we have them for
12 our records. It --

13 I'd like all the lots, but it
14 specifically pertained to Lot D and E. And I
15 have a feeling it has to do with the curbs that
16 are on there.

17 So, as long as we get the closure
18 information, the -- we should be good.

19 And again, it's just double-checking
20 the areas, because we got slightly different
21 square footages when we were verifying
22 everything. I think the acres, technically,
23 don't change, but it was the square foot numbers
24 where we were a little off on.

25 KEVIN SHEEHAN: Very good. Thank

1 you.

2 LANCE LANDGRAF: All right. So, you
3 guys are willing to provide that additional
4 closing information?

5 KEVIN SHEEHAN: Yes.

6 LANCE LANDGRAF: Scott, do you have
7 anything else that we need to clean up?

8 SCOTT COLLINS: Yeah. Just circle
9 back -- yeah. Just circle back to the variances
10 for one second. We were moving pretty quick
11 here.

12 All of the variances that are shown
13 on the plan, I understood that.

14 But, Art, when you were talking
15 about a setback variance that's not shown on the
16 plan, but we think that might be needed?

17 ARTHUR PONZIO: Yeah. What that is
18 is --

19 SCOTT COLLINS: And I'm -- I'm
20 familiar with -- with the issues. I think we had
21 them with this property before. I was just -- I
22 was taking notes, and I'm just trying to
23 understand which -- which lots are affected by
24 that.

25 ARTHUR PONZIO: Let's say B and C.

1 SCOTT COLLINS: Okay. That --

2 LANCE LANDGRAF: Stuart, you're
3 agreeing with his -- his proffer to -- to add
4 that variance to the --

5 STUART WISER: I don't -- I don't
6 have a problem with adding it. I think, you
7 know, the record's gonna show why it's added out
8 of an abundance of caution.

9 So, you know, to the extent somebody
10 might question it in the future, we have -- we
11 have the predicate for it.

12 LANCE LANDGRAF: Okay.

13 SCOTT COLLINS: I think we've
14 actually granted that variance before under a
15 different configuration here. So...

16 I just wanted to make sure which
17 lots were affected.

18 Thank you.

19 LANCE LANDGRAF: All right. Rob,
20 any -- any comments?

21 ROBERT REID: No. No additional
22 comments.

23 LANCE LANDGRAF: Jane, since you're
24 here, do you have anything?

25 JANE FONTANA: No. I have no

1 comments. Thank you.

2 LANCE LANDGRAF: Okay. With that,
3 I'll open the meeting up to the public.

4 Any comments or testimony from the
5 public, please raise your hand, make yourself
6 known to Dan, and he will let you -- unmute you
7 and let you speak.

8 DANIEL DONOHOE: If you're on a
9 phone, you can press star 6 to unmute yourself if
10 you're on the phone.

11 BARBARA WOOLLEY-DILLON: I'm raising
12 my hand, now, virtually.

13 Barbara Woolley-Dillon, from the
14 City of Atlantic City, as the planning and
15 development director.

16 We also have -- I'm gonna note this
17 -- Jacques Howard, our assistant director,
18 listening in on the line today. Normally, I'm
19 taking my CPM classes. And I'm able to attend
20 today because we have a take-home exam and we're
21 supposed to be working on that, so I chose to
22 take a break. I think it's important to be here.

23 First of all, it is great to see
24 everybody, even if we're not in person.
25 Wonderful to see you all, and glad everybody is

1 staying safe.

2 I just want to say, thank you, Art,
3 for your testimony. Great job.

4 We have seen this in the past.
5 Lance is absolutely right. Ever since the
6 housing burst in 2007 with financing, et cetera,
7 especially for commercial properties, a buffer,
8 this is an unfortunate reality that we faced that
9 was never really anticipated as part of the
10 Municipal Land Use Law.

11 From the city's perspective, it's an
12 overall development that was developed at one
13 point in time. We do have to simply adjust the
14 lot lines.

15 We're very pleased to see it coming
16 forward. This is one project I can honestly tell
17 you, we have five boxes of an indoor or outdoor
18 water park proposed that have never come forward.
19 It's something that I really thought would make a
20 wonderful addition to the city.

21 We're absolutely thrilled to see
22 this. It -- it's just one of the things that
23 will promote one of the city's overall goals of
24 becoming a -- more family-friendly entertainment.

25 I think that this also adds

1 character and life to this section of the
2 Boardwalk.

3 As you know, as a result of
4 Superstorm Sandy, we had substantial damage at
5 this end. We now have a completion that's coming
6 forward.

7 And I really think it's breathing
8 new life into this particular part of the city
9 and the city itself.

10 So, we are absolutely pleased with
11 Mr. Blatstein's investments, his continued
12 willingness to invest. And, as we all know from
13 Bart, he does a fantastic job. We've seen his
14 projects in Philadelphia. They're all very
15 organic, if you will, in nature. This is part of
16 the process, I think, that goes along with that.

17 So, we're just very happy to see it.
18 We think it's really helping to continue to move
19 the city forward. And we just want to say thank
20 you so much for your willingness to invest, even
21 in these uncertain times. It's greatly
22 appreciated.

23 LANCE LANDGRAF: Thank you, Barbara.
24 It's good to see you as well.

25 BARBARA WOOLLEY-DILLON: Thank you.

1 LANCE LANDGRAF: Does anyone else
2 from the public have any comments they'd like to
3 make?

4 Seeing none, I'll close the public
5 portion of the meeting.

6 And anything --

7 Any last comments from our side, ARH
8 or Scott or Rob?

9 SCOTT COLLINS: Nothing here, no.

10 STUART WISER: No.

11 LANCE LANDGRAF: Okay. With no
12 additional testimony, we'll close the -- the
13 hearing on this matter.

14 Kevin, are you okay? Are you good?

15 KEVIN SHEEHAN: I'm good. Thanks.

16 LANCE LANDGRAF: We'll close the
17 testimony on this matter.

18 And -- and as I -- I talked to both
19 Kevin and Mr. Blatstein, we will make our best
20 effort to get the -- this application on our full
21 board meeting for February 16th. I know that's
22 putting a little pressure on you, Scott, to help
23 me with the hearing officer report.

24 SCOTT COLLINS: We'll get it --
25 we'll get it done.

1 LANCE LANDGRAF: Thank you.

2 As well as -- as Karen with the --
3 getting the transcript completed.

4 But, we will work to get that
5 completed for the -- February 16th, which that
6 meeting will be at 2 p.m. in the afternoon.

7 Our next land use meeting will be
8 February 18th, at 10 a.m. And we do have an item
9 on that agenda, so we will be reconvening
10 virtual. And for the seeable -- foreseeable
11 future, I think we will be virtual, as -- as the
12 state requires us to keep out of our offices and
13 we don't even know till how long. So, we'll be
14 -- continue to see each other virtually till
15 further notice.

16 So, with that, I'll close the
17 hearing today.

18 And we are adjourned.

19 Thanks, everybody. I appreciate it.

20 And as Barbara said, stay safe.

21 ARTHUR PONZIO: Thank you. Nice
22 job, Lance.

23 See you Scott.

24

25 (This public hearing via Zoom

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concluded at 10:37 a.m.)