

Rahway Redevelopment Agency  
MINUTES

December 3, 2014  
6:30 P.M.

CALL TO ORDER

*The meeting shall be called to order at 6:30 P.M. at the Hamilton Stage*

OPEN PUBLIC MEETINGS ACT

*This meeting has been advertised and posted in accordance with the Open Public Meetings Act of the State of New Jersey*

PLEDGE OF ALLEGIANCE

*Commissioners, officials, and public attendees shall then salute to the flag*

ROLL CALL

*On a call of the roll the following officials were present:*

*Egon Behrmann, Chairman  
Sondra Fishing, Commissioner  
Rodney Farrar, Commissioner  
Timothy Nash, Commissioner  
Armando Sanchez, Commissioner  
Paul Sefranka, Vice-Chair*

APPROVAL OF MINUTES

*A motion was made by Commissioner Sefranka and Seconded by Commissioner Fishing to approve the November 5, 2014 Regular Meeting Minutes.*

*Yes: Commissioners Behrmann, Fishing, Farrar, Nash, Sanchez, Sefranka*

CORRESPONDENCE

- 1. Letter from Michael Staryak to Mayor Samson Steinman.*
- 2. Memo from Frank Regan, Esq. to RRA Commissioners on project updates*
- 3. Email from Len Bier to Frank Regan and Cindy Solomon regarding the Brownstones Redevelopment Project*

COMMENTS FROM THE PUBLIC

*This portion of the meeting shall be opened to the public for comments (two minute maximum per person).*

TREASURER'S REPORT

*A motion was made by Commissioner Sanchez and Seconded by Commissioner Nash to approve the Treasurer's Report*

*Yes: Commissioners Behrmann, Fishing, Farrar, Nash, Sanchez, Sefranka*

EXECUTIVE DIRECTOR'S REPORT

*None*

LEGAL REPORT

*Legal Counsel Frank Regan reported on the closing status of the Elizabethtown Gas property and stated he had additional items to discuss in executive session.*

*A motion was made by Commissioner Sefranka and Seconded by Commissioner Nash to approve the Legal Report*

*Yes: Commissioners Behrmann, Fishing, Farrar, Nash, Sanchez, Sefranka*

## ENGINEERING REPORT

1. Rahway Arts District Expansion Project-Hamilton Stage (Bell Bldg.)
  - a. Regarding the completion of punch list work, Gingerelli Brothers, Inc. (GBI) has completed the lighting issues but roofing leaks remain unresolved
  - b. Agency to consider next course of action with GBI.
2. Meridia-Water's Edge  
The developer continues with ADA ramp construction towards issuance of a Final CO.
3. Metro-Rahway (N/F Station Place at Rahway)  
Station Place at Rahway continues with site improvement construction towards further COs.
4. Meridia - Lafayette Village  
Lafayette Village has submitted their revised site plan documents for Resolution Compliance, which are being reviewed. They are continuing to work towards satisfying outstanding conditions and are obtaining a foundation permit for construction, and excavation preparation for the same is underway. A Pre-Construction Meeting is scheduled for December 2, 2014.
5. Meridia - Brownstones  
Meridia has submitted a Site Plan and Subdivision application; the Planning Board is scheduled to hear the application on December 16, 2014.

*A motion was made by Commissioner Sanchez and Seconded by Commissioner Fishinger to approve the Legal Report*

*Yes: Commissioners Behrmann, Fishinger, Farrar, Nash, Sanchez, Seifranka*

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## UNFINISHED BUSINESS

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## NEW BUSINESS

### PRESENTATION:

Heartstone Development, LLC – Center Circle Property  
Clay Bonny presented a preliminary concept plan for the Center Circle property. The project would include approximately 250 rental units with amenities, 275 parking spaces, and a reconstruction/reconfiguration of the entire parking area behind Rahway City Hall.

### RESOLUTIONS:

#### **50-14: RESOLUTION ADOPTING A MEETING SCHEDULE FOR THE YEAR 2015 FOR THE RAHWAY REDEVELOPMENT AGENCY**

WHEREAS, the Board of Commissioners of the Rahway Redevelopment Agency will meet regularly on the first (1) Wednesday of each month, unless otherwise noted below, at 6:30 p.m. at the Hamilton Stage.

WHEREAS, the following scheduled dates have been established for the year 2015:

WEDNESDAY	JANUARY 7, 2015	(Organizational) **
WEDNESDAY	JANUARY 7, 2015	(Regular)
WEDNESDAY	FEBRUARY 4, 2015	
WEDNESDAY	MARCH 4, 2015	
WEDNESDAY	APRIL 1, 2015	
WEDNESDAY	MAY 6, 2015	
WEDNESDAY	JUNE 3, 2015	
WEDNESDAY	JULY 1, 2015	
WEDNESDAY	AUGUST 5, 2015	
WEDNESDAY	SEPTEMBER 2, 2015	
WEDNESDAY	OCTOBER 7, 2015	
WEDNESDAY	NOVEMBER 4, 2015	
WEDNESDAY	DECEMBER 2, 2015	

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that the above meeting schedule has been established for the year 2015 for the Rahway Redevelopment Agency; and

BE IT FURTHER RESOLVED, that the Rahway Redevelopment Agency meetings for the year 2015 will be held at 6:30 p.m. at the Hamilton Stage.

Certified to be a true copy of a Resolution adopted by the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey at a regular meeting held on December 3, 2014.

*A motion was made by Commissioner Nash and Seconded by Commissioner Sanchez to approve the Resolution.*

*Yes: Commissioners Behrmann, Fishinger, Farrar, Nash, Sanchez, Sefranka, Staryak*

**51-14: RESOLUTION OF THE RAHWAY REDEVELOPMENT AGENCY MEMORIALIZING THE APPROVAL OF THE PRELIMINARY PLANS PRESENTED BY MERIDIA BROWNSTONES, RAHWAY, LLC FOR PROPERTY KNOWN AS TAX BLOCK 226, LOT 1; TAX BLOCK 227, LOTS 1 7 2; AND TAX BLOCK 228, LOT 1 LOCATED IN THE ELIZABETH AVENUE REDEVELOPMENT AREA FOR A MARKET-RATE RESIDENTIAL DEVELOPMENT**

WHEREAS, on August 15, 2013, the Rahway Redevelopment Agency (the "Agency") and the Meridia Brownstones, Rahway, LLC (the "Redeveloper") entered into a Redevelopment Agreement for the redevelopment of Tax Block 226, Lot 1; Tax Block 227, Lots 1 & 2; and Block 228, Lot 1 (the "Properties") located in the Elizabeth Avenue Redevelopment Area (the "Redevelopment Area") for a market rate rental residential project (the "Redevelopment Agreement"); and

WHEREAS, on or about February 5, 2014, the Agency and the Redeveloper executed the First Amendment to the Redevelopment Agreement; and

WHEREAS, pursuant to Article III of the Redevelopment Agreement – Governmental Approval Process, the Redeveloper submitted preliminary plans for the Properties to the Agency for its review and approval prior to submission of such plans to the Rahway Planning Board; and

WHEREAS, on November 5, 2014, the Redeveloper made a presentation to the Agency regarding the preliminary plans for the Properties depicting a market rate rental residential project of approximately 487 units, commercial space, 609 parking spaces and amenities (the "Preliminary Plans"); and

WHEREAS, the Agency was advised that Phillips, Preiss Grygiel, LLC, planning consultant to the Agency, had reviewed and provided comments to the Preliminary Plans in an email to the Agency's general counsel, dated November 4, 2014 (the "Agency Planner Comments"), which correspondence was provided to the Redeveloper; and

WHEREAS, on November 5, 2014, the Agency approved the Preliminary Plans presented by the Redeveloper and authorized the submission of the Preliminary Plans to the Rahway Planning Board, subject to the Redeveloper complying with the Agency Planner Comments.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby memorializes its approval of the Preliminary Plans presented by the Redeveloper on November 5, 2014 and authorizes the submission of the Preliminary Plans to the Rahway Planning Board, subject to the Redeveloper complying with the Agency Planner Comments.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately.

Certified to be a true copy of a Resolution adopted by the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey at a regular meeting held on December 3, 2014.

*A motion was made by Commissioner Sefranka and Seconded by Commissioner Sanchez to approve the Resolution.*

*Yes: Commissioners Behrmann, Fishinger, Farrar, Nash, Sanchez, Sefranka, Staryak*

**52-14: RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE REDEVELOPMENT AGREEMENT WITH MERIDIA BROWNSTONES, RAHWAY, LLC AS REDEVELOPER FOR PROPERTY KNOWN AS TAX BLOCK 226, LOT 1; TAX BLOCK 227, LOTS 1 7 2; AND TAX BLOCK 228, LOT 1 LOCATED IN THE ELIZABETH AVENUE REDEVELOPMENT AREA FOR THE REDEVELOPMENT OF THE PROPERTY FOR A MARKET-RATE RESIDENTIAL DEVELOPMENT**

WHEREAS, on August 15, 2013, the Rahway Redevelopment Agency (the "Agency") and the Meridia Brownstones, Rahway, LLC (the "Redeveloper") entered into a Redevelopment Agreement for the redevelopment of Tax Block 226, Lot 1; Tax Block 227, Lots 1 & 2; and Block 228, Lot 1 (the "Properties") located in the Elizabeth Avenue Redevelopment Area (the "Redevelopment Area") for a market rate rental residential project (the "Redevelopment Agreement"); and

WHEREAS, on or about February 5, 2014, the Agency and the Redeveloper executed the First Amendment to the Redevelopment Agreement; and

WHEREAS, pursuant to Section 2.24 of the Redevelopment Agreement, the Redeveloper is obligated to pay development fees to the Agency; and

WHEREAS, the Redeveloper has requested that the Agency consider a reduction in the amount of development fees to be paid due to an increase in the cost of demolition, asbestos abatement and environmental remediation of the Properties; and

WHEREAS, the Agency is agreeable to a contingent reduction in the amount of the development fees to facilitate the financial feasibility of the project due to the Redeveloper's projected increase in cost of demolition, asbestos abatement and environmental remediation of the Properties; and

WHEREAS, the Agency agrees that any contingent reduction in development fees shall be a maximum of 50% of the per unit fee of \$1,000, thus reducing it to \$500 per unit, based upon a prorated fee reduction schedule determined by the Agency, subject to the Redeveloper certifying to the actual cost of demolition, asbestos abatement and environmental remediation of the Properties, which costs the Agency shall be permitted to independently verify, at the cost of the Redeveloper (the "Costs"); and

WHEREAS, the Agency's agreement to a contingent reduction is further subject to the Redeveloper paying the Agency the initial 25% development fee payment as required by Section 2.24 of the Redevelopment Agreement upon the execution of a Second Amendment to the Redevelopment Agreement, which amount is estimated to be \$121,750 and the Redeveloper shall be entitled to the 50% fee reduction against this initial payment if the Costs are accepted by the Agency; and

WHEREAS, the Agency's agreement to a contingent reduction is also subject to the Redeveloper paying the Agency the full amount of the balance of the development fees originally agreed to in Section 2.24 of the Redevelopment Agreement upon the sale of the Properties and project by the Redeveloper; and

WHEREAS, the Agency and Redeveloper have generally agreed to the terms and conditions of a Second Amendment to the Redevelopment Agreement which address modifications to amount and payment of development fees required under Section 2.24 of the Redevelopment Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby authorizes the execution of a Second Amendment to the Redevelopment Agreement between the Agency and Meridia Brownstones, Rahway, LLC.

BE IT FURTHER RESOLVED, that the Chairman and the Secretary are hereby authorized to execute any and all documents, including a Second Amendment to the Redevelopment Agreement to effectuate the completion and implementation of this project, subject to the Executive Director finalizing the terms of such Second Amendment as set forth herein and review by general counsel as to legal form and content.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately.

Certified to be a true copy of a Resolution adopted by the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey at a regular meeting held on December 3, 2014.

*A motion was made by Commissioner Sefranka and Seconded by Commissioner Sanchez to approve the Resolution.*

*Yes: Commissioners Behrmann, Fishingier, Farrar, Nash, Sanchez, Sefranka, Staryak*

**53-14:RESOLUTION AUTHORIZING THE BOARD OF COMMISSIONERS OF THE RAHWAY REDEVELOPMENT AGENCY TO HOLD A PORTION OF ITS REGULAR MEETING IN CLOSED SESSION FOR PURPOSES OF DISCUSSING PERSONNEL, POTENTIAL LITIGATION AND/OR CONTRACT NEGOTIATIONS**

WHEREAS, pursuant to N.J.S.A.10:4-12, the Open Public Meetings Act permits the exclusion of the public from portions of a meeting at which the Board of Commissioners of the Rahway Redevelopment Agency will discuss personnel, potential litigation and/or contract negotiations relative to properties located in the Central Business District Redevelopment Area; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that a portion of its meeting held on December 3, 2014, shall be held in closed session, thus excluding the public from portions of a meeting at which the Board of Commissioners of the Rahway Redevelopment Agency will discuss potential litigation and contract negotiations relative to properties located in the Central Business District Redevelopment Area; and

BE IT FURTHER RESOLVED, that the Rahway Redevelopment Agency may take action on any matters discussed in this closed session provided it discloses to the public the content of the discussions to be held in closed session at this or any future meeting at which it takes action.

Certified to be a true copy of a Resolution adopted by the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey at a regular meeting held on December 3, 2014.

*A motion was made by Commissioner Sefranka and Seconded by Commissioner Sanchez to approve the Resolution.*

*Yes: Commissioners Behrmann, Fishingier, Farrar, Nash, Sanchez, Sefranka, Staryak*

**TO RETURN TO PUBLIC SESSION AFTER CLOSED SESSION**

*A motion was made by Commissioner Nash and Seconded by Commissioner Sefranka to return to Public Session.*

*Yes: Commissioners Behrmann, Fishingier, Farrar, Nash, Sanchez, Sefranka*

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**COMMISSIONER'S COMMENTS**

*Any Commissioner who wishes to provide comments shall do at this time*

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**ADJOURNMENT**

*There being no further business, the meeting was adjourned at 7:35 PM.*