

# Rahway Redevelopment Agency

## MINUTES

January 8, 2014

6:30 P.M.

### CALL TO ORDER

*The meeting was called to order at 6:35 P.M. in the Council Chambers*

### 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 saluted to the flag*

### ROLL CALL

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

*Anthony Deige, Commissioner  
Daniel Garay, Commissioner  
Timothy Nash, Commissioner  
Vannie Parson, Commissioner  
Paul Sefranka, Vice-Chairman  
William Rack, Chairman*

*Absent: Michael Saryak, Commissioner*

### APPROVAL OF MINUTES

*The minutes of the following meetings shall be moved, seconded, and then adopted by roll call vote:  
November 13, 2013 Meeting*

*A motion was made by Commissioner Nash and Seconded by Commissioner Sefranka to approve the Minutes.*

*Yes: Commissioners Deige, Garay, Nash, Parson, Sefranka, Rack  
Absent: Commissioner Saryak*

### CORRESPONDENCE

### COMMENTS FROM THE PUBLIC

*None*

### TREASURER'S REPORT

*A motion was made by Commissioner Nash and seconded by Commissioner Deige to approve the Treasurer's Report.*

*Yes: Commissioners Deige, Garay, Nash, Parson, Sefranka, Rack  
Absent: Commissioner Saryak*

### EXECUTIVE DIRECTOR'S REPORT

1. Actors Fund Housing: This status report reflects the activity since November 13, 2013 to the present and follows the team's presentation made at the Redevelopment meeting September 4, 2013.
  - Most significantly, the Rahway Redevelopment Agency has entered into a contract for the purchase of the project site. The agreement was signed in late December and the deposit (paid by Ingerman Affordable Housing to the RRA) was received by the Seller's Counsel on December 31, 2013.
  - Counsel for the RRA is finalizing a draft of the Redevelopment Agreement to be transmitted to the development team.

- The NJMHFA is expected to release draft regulations for the 2014 Low Income Housing Tax Credit programs in New Jersey. Once the draft regulations are published, the development team will be in a position to formulate a strategy and time table to secure financing for the project.
  - The Development Team will be meeting with representatives of the RRA Wednesday, January 8, 2014 to further discuss the sequence of events for the development of the property.
2. Main and Monroe Redevelopment:
    - The Redeveloper is in the process of finalizing forms for the Pilot/Financial Agreement.
    - Assuming submittal at the January and February meeting, Frank Regan, Esq. is still working on the Redevelopment Agreement. It is expected that the agreement will be ready for the February meeting.
    - A meeting has been scheduled for the 14<sup>th</sup> of January with Whitestone Associates and Frank Regan, Esq. The purpose of the meeting is to discuss the Whitestone Report and the next steps necessary regarding environmental issues.
    - Amtrak possible land purchase is still unclear at this time.
    - The Redeveloper and Parking Authority are very close to executing a land purchase.
  3. Rahway Main Street:
    - Shane Soranno, the Redeveloper has advised the Redevelopment Team is still working through the changes to FEMA's advisory based maps. A meeting has been scheduled for January 6, 2014 with the NJ Dept. of Environmental Protection to obtain their interpretation. The Developer is expected to have a direction by the end of January.
  4. Water's Edge:
    - Temporary Certificate of Occupancy being pursued for the first floor. Property closed on the 18 additional parking spaces.
  5. Lafayette Village:
    - Received final zoning board approval.
    - Addressing resolution compliance.
    - Preparing construction documents for building permit application.
    - City Planner, Paul Phillips provided input and had discussions with representatives from Meridia. The planning staff, after reviewing the revised plans, stated it appears to conform with the modifications agreed upon prior to the Board of Adjustment approval. In as much as there are new members appointed to the Redevelopment Agency and due to the modification of the site plan, representatives from Meridia have been requested to appear before the Rahway Redevelopment Agency on January 8, 2014.
  6. Brownstones:
    - Negotiating land purchase contract with George Bean.
  7. A&M Litigation:
    - This litigation has been settled.
  8. Fulton Street Project:
    - A meeting has been scheduled at 3:00 p.m. on January 8, 2014 with Lewis Karp, Esq., and Richard Radici to discuss the status of this project. I will report to the Redevelopment Agency Commissioners at the February, 2014 meeting.

9. New Jersey League of Municipality Conference:

- The Rahway Redevelopment Agency provided a booth at the Conference Center for the NJ League of Municipalities held November, 2013. For several days Municipal officials came to visit the showcase that was set up by the Redevelopment Agency to obtain information as to why Rahway has been extremely successful in developing the City. The booth provided documentation for several of the redevelopment projects, a video presentation that is currently available under the Redevelopment Agency's website and lastly, information pertaining to the Cultural Arts District and the construction of the Performing Arts Theatre called "Hamilton Stage".

I will be meeting with the Mayor on various matters and the new City Business Administrator and they have been invited to attend the Redevelopment meeting. Further, I will be reviewing the various projects and issues that will need Administration, Council approval that involve redevelopment projects.

I have also communicated with Frank Regan, Esq. as well as Cindy Solomon, Director of Community Development when necessary regarding all of the various matters that the Redevelopment Agency considers through email, telephone calls and meeting with Redevelopers.

*A motion was made by Commissioner Nash and Seconded by Commissioner Deige to approve the Executive Director's Report.*

*Yes: Commissioners Deige, Garay, Nash, Parson, Seifranka, Rack  
Absent: Commissioner Staryak*

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## LEGAL REPORT

Frank Regan, Esq. commented on the Meridia Water's Edge project, stating the RRA will received the second payment for the property in late summer. In addition, he discussed the additional payments and redeveloper fees that would be collected by the RRA.

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

*Yes: Commissioners Deige, Garay, Nash, Parson, Sefranka, Rack  
Absent: Commissioner Staryak*

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## ENGINEERING REPORT

### 1. Rahway Arts District Expansion Project - Hamilton Stage (Bell Bldg.)

a. Regarding the final building inspection and completion of punch list work, Gingerelli Brothers, Inc. (GBI), has completed all punch list items except the lighting issues, and some continuing roof ceiling leaks. GBI's subcontractor, A.J. Maglio, is working to complete the punch list work. Some of the old roof leaks have re-occurred and we are working with the Architect and Mr. Regan to make a recommendation to the Agency on the next course of action.

b. Chiller Sound Wall - the contract with K&D Contractors has been executed, the building permit is being applied for and the work is being scheduled ASAP.

### 2. Meridia-Water's Edge

The developer continues with the building and site construction, including the Levee repair

### 3. Meridia's Lafayette Village

The redeveloper did receive an approval for a Revised Preliminary & Final Site Plan from the Zoning Board.

### 4. Station Place at Rahway

Station Place at Rahway continues with construction.

### 5. AST Development Corp.

AST continues to prepare their site plans for submission.

*A motion was made by Commissioner Nash and Seconded by Commissioner Sefranka to approve the Engineer's Report.*

*Yes: Commissioners Deige, Nash, Parson, Sefranka, Rack  
Absent: Commissioner Staryak, Garay*

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## UNFINISHED BUSINESS

## NEW BUSINESS

- Meridia Lafayette Village

Henry Szwed, from Capodagli Properties, presented an updated rendering of Lafayette Village and all of the Commissioners expressed their approval.

08-14: RESOLUTION EXTENDING THE CONDITIONAL DESIGNATION OF THE INGERMAN GROUP, CRAWFORD PARTNERS AND THE REINVESTMENT FUND FORMERLY THE ACTORS FUND HOUSING DEVELOPMENT CORPORATION AS REDEVELOPER FOR PROPERTY LOCATED AT 219 CENTRAL AVENUE ALSO KNOWN AS TAX BLOCK 167, LOT 1 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA FOR THE REDEVELOPMENT OF THE PROPERTY FOR A RESIDENTIAL PROJECT INCLUDING AFFORDABLE HOUSING UNITS

WHEREAS, the City of Rahway has been promoting the redevelopment of the Central Business District of Rahway since the preparation of the Central Business District Plan by Planners Diversified/Harvey Moskowitz in 1990 and the Central Business District Redevelopment Plan adopted in April 1998, as amended; and

WHEREAS, 219 Central Avenue, Block 167, Lot 1 is located in the Central Business District Redevelopment Area and is commonly referred to as the Elizabethtown Gas property (the "Property"); and

WHEREAS, upon the creation of the Rahway Redevelopment Agency (the "Agency") by the City of Rahway, responsibility for managing the redevelopment for the City was granted to the Agency; and

WHEREAS, the Property is owned by Elizabethtown Gas, who has entered into an agreement of sale to sell the Property to the Agency; and

WHEREAS, Actors Fund Housing Development Corporation submitted an application to the Agency for the redevelopment of the Property; and

WHEREAS, Actors Fund Housing Development Corporation and its development partner, Crawford Street Partners, LLC of Newark made a presentation to the Board of Commissioners of the Agency on April 4, 2012 regarding its proposal to develop a project consisting of the construction of 60 affordable rental units in a 4 story structure and potential reuse of the existing commercial building for community arts and education on the Property; and

WHEREAS, the proposal has been reviewed and found consistent with the City's and Agency's goals for redeveloping the area and supporting arts related development and uses in proximity to the UCPAC and Hamilton Stage; and

WHEREAS, on May 2, 2012, the Agency adopted a resolution conditionally designating the Actors Fund Housing Development Corporation as redeveloper of the Property for a period of 120 days subject to certain conditions; and

WHEREAS, on May 15, 2012, the Agency and the Actors Fund Housing Development Corporation entered into an escrow agreement, which was a condition of the conditional designation as redeveloper (the "Escrow Agreement"); and

WHEREAS, on August 15, 2012, the Agency adopted a resolution extending the conditional designation of the Actors Fund Housing Development Corporation as redeveloper of the Property for a period of 120 days subject to certain conditions; and

WHEREAS, on January 9, 2013, the Agency adopted a resolution extending the conditional designation of the Actors Fund Housing Development Corporation as redeveloper of the Property for a period of 120 days subject to certain conditions; and

WHEREAS, on May 1, 2013, the Agency adopted a resolution extending the conditional designation of the Actors Fund Housing Development Corporation or its designee as redeveloper of the Property for a period of 120 days subject to certain conditions; and

WHEREAS, on September 4, 2013, the Agency adopted a resolution extending the conditional designation of the Actors Fund Housing Development Corporation or its designee as redeveloper of the Property for a period of 120 days subject to certain conditions; and

WHEREAS, the Actors Fund Housing Development Corporation will no longer be involved in the development of housing and has transferred its interest in the project to The Reinvestment Fund, who along with the existing partners consisting of the Ingerman Group and Crawford Street Partners, will be the conditional redeveloper (the "Redeveloper"); and

WHEREAS, the Agency and the Redeveloper have been working diligently to conduct due diligence regarding the Property, to negotiate the purchase of the Property from Elizabethtown Gas, explore and pursue funding opportunities and negotiating the terms and conditions of a Redevelopment Agreement, additional time is required for the Parties to complete these tasks and a further extension of the conditional redeveloper designation is necessary.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby extends the conditional designation as redeveloper of The Reinvestment Fund, Ingerman Group and Crawford Street Partners for the development of 219 Central Avenue, also known as Tax Block 167, Lot 1, located in the Central Business District Redevelopment Area, for a mixed use project consisting of the construction of approximately 60 affordable rental units in a 4 story structure and reuse of the existing commercial building for community arts and education on the Property for the reasons set forth herein.

BE IT FURTHER RESOLVED, that said extension of the conditional designation as redeveloper is subject to the following conditions:

1. That the conditional designation is limited to a period of one hundred and twenty (120) days from the date of the expiration of the prior extension granted by the Agency, at which time it will automatically expire and be of no further force and effect, and the parties will no longer have any obligation to the other, except as to final payment of any Agency costs under the Escrow Agreement required herein. The Agency may, in its sole discretion, extend and re-extend the conditional designation provided sufficient progress is being in negotiation of a redevelopment agreement, which determination is at the sole discretion of the Agency and which extension must be in the form of a duly adopted resolution of the Board of Commissioners of the Agency.
2. That the Redeveloper and the Agency shall negotiate and agree upon the terms and conditions of a redevelopment agreement for the redevelopment of the Property subject to any modifications of the proposal required by the Agency, within the period of the conditional designation, as such period may be extended by the Agency in its sole discretion.
3. That the Redeveloper agrees to pay any and all costs incurred by the Agency from the date of the conditional designation to execution of a redevelopment agreement or termination of the redeveloper

designation pursuant to the terms and conditions of the Escrow Agreement, in addition to any application fees required by the Agency.

4. That the Property be contracted for purchase from Elizabethtown Gas in order for the redevelopment of the Property as provided for in a redevelopment agreement.

BE IT FURTHER RESOLVED, that upon completion of negotiations on a redevelopment agreement, the Board of Commissioners of the Agency shall be required to review and authorize execution of any and all related documents in order to effectuate the completion and implementation of this project.

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

Certified to be a true copy of a Resolution of the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey adopted at a regular meeting held on January 8, 2014.

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

*Yes: Commissioners Deige, Nash, Parson, Sefranka, Rack*

*Absent: Commissioner Staryak, Garay*

09-14: RESOLUTION EXTENDING THE CONDITIONAL DESIGNATION OF SLOKKER REAL ESTATE GROUP AS REDEVELOPER FOR PROPERTY KNOWN AS TAX BLOCK 318 LOTS 1 THROUGH 10 & 23 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA FOR THE DEVELOPMENT OF A MIXED USE RESIDENTIAL AND COMMERCIAL PROJECT

WHEREAS, Tax Block 318 Lots 1 through 10 and 23 (the "Properties") are located in the Central Business District Redevelopment Area (the "Redevelopment Area"); and

WHEREAS, the Rahway Redevelopment Agency (the "Agency") has been promoting the redevelopment of the Properties consistent with the Central Business Redevelopment Plan since 1998; and

WHEREAS, the Agency entered into a redevelopment agreement with Dornoch Rahway II, LP on March 16, 2006 for the redevelopment of the Properties, which agreement was terminated on or about June 30, 2011; and

WHEREAS, Block 318, Lots 1 through 10 are owned by Dornoch Rahway II, LP and Slokker Real Estate Group has an interest in this partnership; and

WHEREAS, Block 318, Lot 18 is owned by the Rahway Parking Authority; and

WHEREAS, on or about September 24, 2006, the Rahway Parking Authority and Dornoch Rahway, LP entered into a purchase and sale agreement regarding Block 318, Lot 18, which agreement remains in full force and effect; and

WHEREAS, Slokker Real Estate Group ("Slokker") has successfully completed residential projects in the United States, Canada and the Netherlands; and

WHEREAS, Slokker made a presentation to the Board of Commissioners of the Agency on December 5, 2012 regarding its concept proposal to develop a mixed use residential and commercial project for the Properties including approximately 180 units in two buildings with approximately 4,000 square feet of ground floor retail space; and

WHEREAS, the proposal has been reviewed and found consistent with the City's and Agency's goals for redeveloping the area; and

WHEREAS, on January 9, 2013, the Agency adopted a resolution conditionally designating Slokker as redeveloper of the Properties for a period of 120 days subject to certain conditions; and

WHEREAS, on January 26, 2013, the Agency and Dornoch Rahway II, LP entered into an escrow agreement; and

WHEREAS, on May 1, 2013, the Agency adopted a resolution extending the conditional designation of Slokker as redeveloper of the Properties for a period of 120 days subject to certain conditions; and

WHEREAS, on September 4, 2013, the Agency adopted a resolution extending the conditional designation of Slokker as redeveloper of the Properties for a period of 120 days subject to certain conditions; and

WHEREAS, the Agency and Slokker have been working diligently to conduct due diligence regarding the Properties, negotiate a land exchange with the Rahway Parking Authority and negotiating the terms and conditions of a Redevelopment Agreement, additional time is required for the Parties to complete these tasks and a further extension of the conditional redeveloper designation is necessary.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby extends the conditional designation as redeveloper of Slokker Real Estate Group for the development of Tax Block 318, Lots 1 through 10 and 23, located in the Central Business District Redevelopment Area, for a mixed use residential and commercial project consisting of approximately 190 units in two buildings with approximately 4,000 square feet of ground floor retail space.

BE IT FURTHER RESOLVED, that said extension of conditional designation as redeveloper is subject to the following conditions:

1. That the extension of the conditional designation is limited to a period of one hundred and twenty (120) days from the date of this Resolution at which time it will automatically expire and be of no further force and effect, and the parties will no longer have any obligation to the other, except as to final payment of any Agency costs under the Escrow Agreement required herein. The Agency may, in its sole discretion, extend and re-extend the conditional designation provided sufficient progress is being in negotiation of a redevelopment agreement, which determination is at the sole discretion of the Agency and which extension must be in the form of a duly adopted resolution of the Board of Commissioners of the Agency.
2. That Slokker or an affiliated entity and the Agency shall negotiate and agree upon the terms and conditions of a redevelopment agreement within the period of the conditional designation, as such period may be extended by the Agency in its sole discretion.
3. That Slokker agrees to pay any and all costs incurred by the Agency from the date of the conditional designation to execution of a redevelopment agreement or termination of the redeveloper designation, as set forth herein.
4. That Slokker obtain title to the properties owned by the Rahway Parking Authority through a potential land exchange in order for the redevelopment of the Properties as provided for in a redevelopment agreement.

BE IT FURTHER RESOLVED, that upon completion of negotiations on a redevelopment agreement, the Board of Commissioners of the Agency shall be required to review and authorize execution of any and all related documents in order to effectuate the completion and implementation of this project.

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

Certified to be a true copy of a Resolution of the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey adopted at a regular meeting held on January 8, 2014.

*A motion was made by Commissioner Seifranka and Seconded by Commissioner Deige to approve the Resolution*

*Yes: Commissioners Deige, Nash, Parson, Seifranka, Rack  
Absent: Commissioner Staryak, Garay*

10-14: RESOLUTION EXTENDING THE CONDITIONAL DESIGNATION OF RAHWAY MAIN STREET, LLC AS REDEVELOPER FOR PROPERTY KNOWN AS TAX BLOCK 305, LOT 5.02 IN THE LOWER MAIN STREET URBAN RENEWAL AREA FOR THE REDEVELOPMENT OF THE PROPERTY FOR A MARKET-RATE RESIDENTIAL DEVELOPMENT

WHEREAS, the Municipal Council of the City of Rahway designated Block 305/ Lot 5.02 (the "Property") as part of a larger urban renewal area (the "Lower Main Street Urban Renewal Area") and adopted the Lower Main Street Urban Renewal Plan on May 9, 1961, which was incorporated into the Amended and Restated Central Business District Redevelopment Plan adopted on February 13, 2013 (the "Plan"); and

WHEREAS, the City of Rahway (the "City") and the Rahway Redevelopment Agency (the "Agency") have undertaken various projects (with and without private redevelopers) within the Lower Main Street Urban Renewal Area; and

WHEREAS, the Property is owned by the Center Circle and consists of approximately 3 acres occupied by an indoor sports facility; and

WHEREAS, Rahway Main Street, LLC or its partners or affiliates successfully completed a market rate residential rental project in the CBD Redevelopment Area and are currently constructing a project known as Station Place; and

WHEREAS, Rahway Main Street, LLC has contracted with the Center Circle to purchase the Property; and

WHEREAS, Rahway Main Street, LLC made a presentation to the Board of Commissioners of the Agency on August 7, 2013 regarding its proposal to develop a residential project comprised of approximately two hundred and forty-eight (248) market rate rental units on the Property; and

WHEREAS, the proposal has been reviewed and found consistent with the City's and Agency's goals for redeveloping the area; and

WHEREAS, on September 4, 2013, the Agency adopted a resolution conditionally designating Rahway Main Street, LLC as redeveloper of the Property for a period of 120 days subject to certain conditions; and

WHEREAS, subsequently, the Agency and Rahway Main Street, LLC entered into an escrow agreement, which was a condition of the conditional designation as redeveloper (the "Escrow Agreement"); and

WHEREAS, the Agency and the Redeveloper have been working diligently to conduct due diligence regarding the Property, to negotiate the terms and conditions of a Redevelopment Agreement, additional time is required for the Parties to complete these tasks and a further extension of the conditional redeveloper designation is necessary.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby extends the conditional designation of Rahway Main Street, LLC, 111 Magee Avenue, Lavallette, New Jersey 08735, as redeveloper for the development of Tax Block 305/ Lot 5.02, located in the Lower Main Street Urban

Renewal Area, for a residential project comprised of approximately 248 market rate rental units for the reasons set forth herein.

BE IT FURTHER RESOLVED, that said conditional designation is subject to the following conditions:

1. That the conditional designation is limited to a period of one hundred and twenty (120) days from the date of this Resolution at which time it will automatically expire and be of no further force and effect, and the parties will no longer have any obligation to the other, except as to final payment of any Agency costs under the Escrow Agreement required herein. The Agency may, in its sole discretion, extend and re-extend the conditional designation provided sufficient progress is being in negotiation of a redevelopment agreement, which determination is at the sole discretion of the Agency and which extension must be in the form of a duly adopted resolution of the Board of Commissioners of the Agency.
2. That Rahway Main Street, LLC and the Agency shall negotiate and agree upon the terms and conditions of a redevelopment agreement within the period of the conditional designation, as such period may be extended by the Agency in its sole discretion.
3. That Rahway Main Street, LLC agrees to pay any and all costs incurred by the Agency from the date of the conditional designation to execution of a redevelopment agreement or termination of the redeveloper designation, as set forth herein.
4. That Rahway Main Street, LLC acquires the Property for redevelopment.

BE IT FURTHER RESOLVED, that upon completion of negotiations on a redevelopment agreement, the Board of Commissioners of the Agency shall be required to review and authorize execution of any and all related documents in order to effectuate the completion and implementation of this project.

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

Certified to be a true copy of a Resolution of the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey adopted at a regular meeting held on January 8, 2014.

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

*Yes: Commissioners Deige, Nash, Parson, Sefranka, Rack  
Absent: Commissioner Staryak, Garay*

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#### COMMISSIONER'S COMMENTS

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#### ADJOURNMENT

*There being no further business, the meeting was adjourned at 7:40 PM.*