

Rahway Redevelopment Agency

Minutes

February 1, 2012

6:30 P.M.

CALL TO ORDER

The meeting was called to order at 6:30 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 shall then salute to the flag

ROLL CALL

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

*Anthony Deige, Commissioner
Matthew Dobrowolski, Commissioner
Timothy Nash, Commissioner
Nancy Saliga, Commissioner
William Rack, Commissioner
Paul Sefranka, Commissioner*

Absent: Courtney Clarke, Commissioner

APPROVAL OF MINUTES

A motion was made by Commissioner Deige, seconded by Commissioner Nash, to accept and approve the minutes listed below:

January 11, 2012 Organizational Meeting

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

A motion was made by Commissioner Nash, seconded by Commissioner Dobrowolski, to accept and approve the minutes listed below:

January 11, 2012 Regular Meeting

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

CORRESPONDENCE

1. Email (and back-up) information from Peter Pelissier to Cindy Solomon regarding American Properties.
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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 Dobrowolski and Seconded by Commissioner Nash to approve the Treasurer's Report.

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

EXECUTIVE DIRECTOR'S REPORT

Peter Pelissier reported that meetings have occurred with American Properties regarding the Wheatena site and the Dutch developers regarding Parking Lot B. He also stated the RFP's might be issued regarding a marketing program for the Agency and completed projects.

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

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

LEGAL REPORT

None

ENGINEERING REPORT

1) Hamilton St. Arts District Expansion;

A) Interim Parking Lot construction - progressing as scheduled for the drainage system, pavement subgrade, lighting foundations, fencing around the adjacent residential properties, streambank walkway porous concrete stone base course & streambank stabilization - anticipated 4/15/12 completion.

B) Bell Building (Hamilton Stage) construction is progressing well and is almost weather tight & scheduled for 4/15/12.

2) Meridia's Water's Edge - Meridia is continuing to satisfy Site Plan conditions of the Resolution of Planning Board Approval - preparing to obtain Council & RRCA approvals for requisite easements and preparing to begin construction.

3) Home 2 Suites - new hotel (Hilton) project began construction adjacent to the Best Western hotel at the corner of E.Milton Ave & Lennington St.

4) Norwood Auto Parts - will be reviewing the architectural plans for compliance with the City's Flood Damage Prevention Ordinance.

5) Lot B - interim parking lot lighting installation preparation is progressing with DPW and will begin asap; includes street lighting along the backside of the Main St sidewalk.

6) Former Savoy site - assist Meridia for their conceptual planning by providing existing infrastructure information

(Report was submitted in writing – RRA Engineer Jim Houston was unable to attend meeting).

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

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

UNFINISHED BUSINESS

NEW BUSINESS

Presentations:

Meridia, Chateau

George Capodagli appeared before the RRA to request being designated as the redeveloper for the former Savoy project. He is proposing to construct 120 rental housing units with 2 levels of parking on the site. He stated that the project would have LEED Certification. The commissioners requested the name be change to Meridia Lafayette.

Resolutions:

07-12: RESOLUTION REGARDING THE APPLICATION OF TOM GLEN, INC. FOR THE PROPERTY LOCATED AT 125 MONROE STREET, ALSO KNOWN AS TAX BLOCK 321, LOTS 3 & 4 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA FOR THE DEVELOPMENT OF A MIXED USE COMMERCIAL AND RESIDENTIAL PROJECT

WHEREAS, the properties known as Block 321, Lots 3 & 4, commonly known as 125 Monroe Street, Rahway, are located in the Central Business District Redevelopment Area; and

WHEREAS, Block 312, Lots 3 & 4 are included in the Central Business District Redevelopment Plan; and

WHEREAS, upon the creation of the Rahway Redevelopment Agency by the City of Rahway, responsibility for managing the redevelopment for the City was granted to the Agency, including the review of projects that may be inconsistent with the redevelopment plan for the relevant redevelopment area; and

WHEREAS, the Rahway Redevelopment Agency has the authority, pursuant to N.J.S.A. 40A:12A-1 et seq., to make recommendations to the governing body for the redevelopment of properties in redevelopment areas, including amendments to redevelopment plans; and

WHEREAS, Tom Glen, Inc. is the current owner of Block 321, Lots 3 & 4 (the "Property"); and

WHEREAS, the Property, while located in the Central Business District Redevelopment Area, is currently subject to the requirements of the Rahway Zoning Ordinance as an R-2 Medium Density Single Family zone; and

WHEREAS, Tom Glen, Inc. has made an application to the Rahway Redevelopment Agency to make improvements to the properties to construct a second story for residential use and to expand the existing commercial use on Block 321, Lots 3 & 4, which proposed improvements would require an amendment to the Central Business District Redevelopment Plan; and

WHEREAS, Tom Glen, Inc. made a number of presentations to the Board of Commissioners of the Rahway Redevelopment Agency, the last of which was on January 11, 2012 in regards to its proposal for the redevelopment of Block 321, Lots 3 & 4; and

WHEREAS, pursuant to Resolution 35-06 adopted on June 15, 2006, Tom Glen, Inc. has paid fees and escrows in accordance with the fee schedule; and

WHEREAS, based on the application and presentation before the Board of Commissioners, the Board finds that the proposed development is consistent with the goals of the Central Business District Redevelopment Plan and the proposed improvements would be consistent with the character of the area, as well as address problems the Property experiences as a result of periodic flooding in the area.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency based on the application and presentation of Tom Glen, Inc. for the properties located at 125 Monroe Street, also known as Block 321, Lots 3 & 4 located in the Central Business District Redevelopment Area, that it finds that the proposed development is consistent with the goals of the Central Business District Redevelopment Plan and the proposed improvements would be consistent with the character of the area, as well as address problems the Property experiences as a result of periodic flooding in the area.

BE IT FURTHER RESOLVED, that it hereby recommends to the Rahway City Council that an amendment to the Central Business District Redevelopment Plan be considered to permit the improvements and use of the Property as proposed by Tom Glen, Inc.

BE IT FURTHER RESOLVED, that the proposed use of the Property is subject to the review and approval of the Rahway zoning officer and any applicable board for development approvals, if required.

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 February 1, 2012.

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

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

08-12: RESOLUTION OF THE RAHWAY REDEVELOPMENT AGENCY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY, AUTHORIZING THE MAKING OF AN APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 40A:5A-6 AND N.J.S.A. 40A:12A-29(a)(3) IN CONNECTION WITH THE ISSUANCE OF NOT EXCEEDING \$5,000,000 CITY-SECURED PUBLIC LIBRARY REVENUE REFUNDING BONDS

WHEREAS, the Rahway Redevelopment Agency (the "Agency"), in the County of Union, State of New Jersey, has determined to issue not to exceed \$5,000,000 aggregate principal amount of City-Secured Public Library Revenue Refunding Bonds, Series 2012 (the "2012 Bonds") to (i) provide debt service savings due to the low interest rate environment by refunding \$4,340,000 aggregate principal amount of City-Secured Public Library Revenue Bonds, Series 2002, of the Agency dated October 29, 2002, and (ii) pay costs of issuance associated with the 2012 Bonds ((i) and (ii) shall be collectively referred to herein as the "2012 Project"); and

WHEREAS, the Agency is respectively authorized to issue its permanent revenue bonds pursuant to the provisions of the Local Authorities Fiscal Control Law, N.J.S.A. 40A:5A-1 et seq., as amended and supplemented, and Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (collectively, the "Act"), and other applicable provisions of law, and to finance redevelopment projects such as the 2012 Project; and

WHEREAS, to secure the payment of the principal of and interest on the 2012 Bonds, the Agency and the City have entered into a Use, Occupancy and Capital Grant Agreement, as amended and supplemented heretofore and hereinafter in connection with the 2012 Bonds (the "Capital Grant Agreement"), whereby the City has agreed to make periodic capital grant payments to the Agency for the use and occupancy of the Public Library by the City, and the revenue stream securing the 2012 Bonds will be the capital grant payments to be made by the City to the Agency, such capital grant payments to be structured to cover the principal of and interest payments on the 2012 Bonds, *plus* an administrative fee for the Agency, and which capital grant payments will not be subject to the City's annual appropriation and will be a general obligation full faith and credit pledge of the City to pay the debt service on the 2012 Bonds; and

WHEREAS, under the terms of the Capital Grant Agreement, the periodic capital grant payments due thereunder from the City to the Agency shall be sufficient to pay the debt service on the 2012 Bonds and other related costs and expenses of the Agency as reflected therein; and

WHEREAS, the Agency's ability to issue the 2012 Bonds requires the authorization of certain matters and certain actions to be undertaken by the Agency officials, officers and professionals, including but not limited to, the preparation and submission of an application to the Local Finance Board, in the Division of Local Government Services, New Jersey Department of Community Affairs (the "Local Finance Board"); and

WHEREAS, the Agency desires at this time to conduct the private sale of the 2012 Bonds in an aggregate principal amount not to exceed \$5,000,000 to provide funds to undertake the 2012 Project, and desires to make application to the Local Finance Board for (i) the applicable approvals required pursuant to the provisions of the Local Authorities Fiscal Control Law, specifically N.J.S.A. 40A:5A-6, and (ii) the approval of the private sale of the 2012 Bonds pursuant to the Redevelopment Law, specifically N.J.S.A. 40A:12A-29(a)(3); and

WHEREAS, the Agency believes:

- (a) it is in the public interest to accomplish the 2012 Project;
- (b) the 2012 Project is for the health, welfare, convenience or betterment of the inhabitants of the City;
- (c) the amount to be expended for the 2012 Project is not unreasonable or exorbitant;
- (d) the 2012 Project is an efficient and feasible means of providing services for the needs of the inhabitants of the City and will not create an undue financial burden to be placed upon the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE RAHWAY REDEVELOPMENT AGENCY, IN THE COUNTY OF UNION, STATE OF NEW JERSEY, as follows:

SECTION 1. The preparation and submission of an application to the Local Finance Board (the "Application") is hereby authorized and directed to be made by the Agency's Auditor, Lerch, Vinci & Higgins, LLP (the "Agency Auditor") and/or Agency's Bond Counsel, Wilentz, Goldman & Spitzer, P.A. (the "Bond Counsel") and other officials, officers and professionals of the Agency, including but not limited to, the Executive Director, the Chief Financial Officer, the Secretary, the Assistant Secretary and the Agency's General Counsel, DeCotiis, Fitzpatrick & Cole, LLP (the "General Counsel"). Bond Counsel, the Agency's Executive Director, Chief Financial Officer, Secretary, the Agency Auditor and the General Counsel are each hereby authorized and directed to represent the Agency in matters pertaining to such Application.

SECTION 2. The Local Finance Board is hereby respectfully requested to consider such Application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statutes.

SECTION 3. The Agency's Secretary or Assistant Secretary is hereby directed to file a certified copy of this resolution with the Local Finance Board and to forward a certified copy of this resolution to Bond Counsel to supplement the Application therewith.

SECTION 4. The Agency's Executive Director is hereby authorized and directed to determine all matters in connection with the 2012 Project not determined by this or a subsequent resolution, all in consultation with Bond Counsel, and the manual or facsimile signature of the Agency's Executive Director upon any documents shall be conclusive as to all such determinations. The Agency's Chairman, Executive Director, Chief Financial Officer, Secretary, Assistant Secretary and any other Agency Representative, including but not limited to, Bond Counsel, the Agency Auditor and General Counsel, are each hereby authorized and directed to take such actions or refrain from such actions as are necessary to consummate the transaction contemplated by the Agency's undertaking of the 2012 Project and any all such actions or inactions taken by the aforesaid Agency Representatives heretofore are hereby ratified and confirmed, *nunc pro tunc*.

SECTION 5. This resolution shall take effect immediately.

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

It was pointed out that the refinancing the Public Library Bonds would save the RRA approximately 12% (\$50,000.00) per year.

*Yes: Commissioners Deige, Dobrowolski, Nash, Saliga, Sefranka, and Rack
Absent: Commissioner Clarke*

COMMISSIONER'S COMMENTS

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

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:15 PM