

# Rahway Redevelopment Agency

## MINUTES

March 7, 2012

6:30 P.M.

### CALL TO ORDER

*The meeting shall be 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*

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### PLEDGE OF ALLEGIANCE

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

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### ROLL CALL

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

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

*Absent: Courtney Clarke, Nancy Saliga, Commissioners*

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### APPROVAL OF MINUTES

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

*February 1, 2012 Regular Meeting*

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

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### CORRESPONDENCE

- 1. Letter dated January 25, 2012 from Ben Overman, General Adjuster to GSMJIF Member regarding a loss claim from Hurricane Irene.*
  - 2. Letter dated January 27, 2012 from Kevin Kratina, NJDEP, to William Rack regarding 80 East Milton Avenue.*
  - 3. Annual Status Report from the Rahway Arts District, Inc.*
  - 4. Letter (and application) dated March 1, 2012 from Peter Pelissier, Executive Director, to Prospective Funder regarding the Hamilton Stage.*
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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).*

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### TREASURER'S REPORT

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

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

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### EXECUTIVE DIRECTOR'S REPORT

Executive Director Peter Pelissier give a brief report and update of the last month's redevelopment activity. He stated that a presentation will be given at April's RRA Meeting regarding the old Elizabethtown Gas property and the proposed construction of artist's housing by the Actor's Fund and Scott Weiner.

*A motion was made by Commissioner Dobrowolski and Seconded by Commissioner Deige to approve the Legal Report.*

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

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## LEGAL REPORT

General Counsel Frank Regan reported that the Sheriff's sale and foreclosures of the remaining Riverwalk properties has been postponed.

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

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

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## ENGINEERING REPORT

### PROJECT/STATUS

1. Rahway Arts District Expansion Project \_Interim Parking Lot  
Contractor resumed work today and the anticipated completion date is May1st
2. Rahway Arts District Expansion Project \_Hamilton Stage (Bell Bldg)  
The building construction is continuing and moving toward completion with a substantial completion on or about May 1st with Certificate of Occupancy of June 1st. The site work, including streetscape, has resumed today and will be completed in the same timeframe as the building.
3. The Savoy Site Fencing  
The fencing with a dark green privacy screen will be completed shortly and Frank Regan has received an Agreement from Wells Fargo Bank to reimburse the City in the amount of \$18,048.34 for the cost of the fencing.
4. Parking Lot B (former Westbury site)  
DPW will be meeting with the Electrician next week to kick off the parking lot lighting installation.
5. Norwood Auto Parts  
We are reviewing the building plans for compliance with the City's Flood Damage Prevention Code.
6. Home 2 Suites Hotel  
The construction is continuing.
7. Meridia-Water's Edge
  - a. A preconstruction meeting was held on March 2, after which the construction permit was issued to enable Meridia to begin construction on their footings and foundations.
  - b. The initial soil excavation and movement has been completed in the interim for the foundation construction.
  - c. The foundation pile driving is expected to begin at the end of this week.
8. 80 East Milton Avenue (Indigo Hote/Carriage City site)  
The 1/27/12 Compliance Assistance Alert letter from NJDEP has been addressed by the Brownfield Development Area (BDA) case application by Whitestone Associates, with oversight by NJDEP Case Manager Tony Findley.

*A motion was made by Commissioner Nash and Seconded by Commissioner Dobrowolski to approve the Engineering Report.*

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

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## UNFINISHED BUSINESS

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### NEW BUSINESS

Presentations:

*An update on The Hotel Indigo (Carriage City Redevelopment Project) was given by Gil Caminos. He reported the improvements being made and overall success of the hotel.*

Resolutions:

*09-12: RESOLUTION CONDITIONALLY DESIGNATING MERIDIA CHATEAU, URBAN RENEWAL, RAHWAY, LLC AS REDEVELOPER FOR PROPERTY KNOWN AS TAX BLOCK 320, LOTS 1, 1.01, 2, 3 AND 4 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA FOR THE REDEVELOPMENT OF THE PROPERTY FOR A MARKET-RATE RESIDENTIAL DEVELOPMENT*

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, Block 320, Lots 1, 1.01, 2, 3 and 4 are located in the Central Business District Redevelopment Area (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 Agency has previously entered into a redevelopment agreement for the redevelopment of the Property with Dornoch Rahway, LLC, which redevelopment agreement was terminated in May 2011 by the Agency; and

WHEREAS, the Property is owned by Dornoch Rahway, LLC, which Property is subject to a mortgage held by Wells Fargo Bank, N.A., who is in the process of selling the note on the Property; and

WHEREAS, Meridia Chateau, Urban Renewal, Rahway, LLC made a presentation to the Board of Commissioners of the Agency on February 1, 2012 regarding its proposal to develop a residential project comprised of approximately one hundred and twenty (120) market rate rental units on the Property; and

WHEREAS, Capodagli Property Company, LLC an affiliate of Meridia Chateau, Urban Renewal, Rahway, LLC successfully completed a market rate residential rental project in a redevelopment area on East Grand Avenue in Rahway and recently entered into a redevelopment agreement with the Agency for the redevelopment of Block 305, Lot 5.04 for a market rate residential project; and

WHEREAS, the proposal has been reviewed and found consistent with the City's and Agency's goals for redeveloping the area, however, such proposal may require modifications to address residential density and ground floor use.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that Meridia Chateau, Urban Renewal, Rahway, LLC, 142 Route 23 North, Pompton Plains, New Jersey 07444, is hereby conditionally designated as redeveloper for the development of Tax Block 320, Lots 1, 1.01, 2, 3 and 4, located in the Central Business District Redevelopment Area, for a residential project comprised of approximately 120 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 Meridia Chateau, Urban Renewal, Rahway, LLC 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 Meridia Chateau, Urban Renewal, Rahway, 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, in addition to any application fees required by the Agency.
4. Within fourteen (14) days of the adoption of this resolution, Meridia Chateau, Urban Renewal, Rahway, LLC and the Agency enter into an escrow agreement, the form of which is attached hereto and made part of this resolution. 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.

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

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

*10-12: SUPPLEMENTAL RESOLUTION OF THE RAHWAY REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE OF CITY-SECURED PUBLIC LIBRARY REVENUE REFUNDING BONDS, SERIES 2012*

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

*Yes: Commissioners Deige, Dobrowolski, Nash, Sefranka, and Rack*

*Absent: Commissioner Clarke, Saliga*

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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 shall be adjourned*