

Rahway Redevelopment Agency

MINUTES

October 2, 2013

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:

*Anthony Deige, Commissioner
Timothy Nash, Commissioner
Paul Sefranka, Commissioner
William Rack, Chairman*

Absent: Commissioner Staryak

APPROVAL OF MINUTES

A motion was made by Commissioner Nash and Seconded by Commissioner Dobrowolski to approve the Minutes of the September 4, 2013 Regular Meeting.

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

CORRESPONDENCE

1. Memo date September 25, 2013 from Matt Dobrowolski to Peter Pelissier, Executive Director, RRA.
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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 Sefranka and Seconded by Commissioner Nash to approve the Treasurer's Report.

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

EXECUTIVE DIRECTOR'S REPORT

1. **Main and Monroe Redevelopment:** As reported last month a meeting was held to review architectural plans as presented by Joel Schwartz that were prepared by the Firm of Minnow and Wascow of Lambert, New Jersey. The development team spearheaded by Niles Berten and Oscar Moninex, the Developers, are continuing to streamline the plans in order to accommodate the proposed number of units to be constructed which consists of 196 residential units with 208 parking spaces under the building.

The Developer continues to work on the economics of this project and will need to execute an agreement for a land swap with the Rahway Parking Authority and to reach an agreement with the City Council for a **PILOT** as well as to reach an agreement with the City for the extension of Monroe Street to Cherry Street. It is my understanding that a presentation before the Rahway Redevelopment Agency will take place in the near future, after which a

Redevelopment Agreement will be prepared for consideration by the Rahway Redevelopment Agency Commissioners.

At the September 4, 2013 Rahway Redevelopment Agency meeting, a Resolution extending the conditional designation of the Slokker Real Estate Group as Redeveloper will be placed on the Agenda for consideration.

2. **Metro Rahway:** The foundation work has commenced and the Redeveloper is moving forward in a timely manner.

3. **Actors Fund Housing:** A meeting will be held this month to discuss the business terms of the acquisition of the property from AGL including:

1. Purchase price
2. Deposit
3. Project Financing
4. Contingencies
5. Development Approvals
6. Closing Date

It was agreed that Frank Regan, Esq. and the Development Team would begin working on a draft contract. It was further agreed that the Redevelopment Agency would request the transfer of Union County HOME Funds allocation to the Rahway Redevelopment Agency.

At the September 4, 2013 Rahway Redevelopment Agency meeting a Resolution will be placed on the Agenda extending the conditional designation of the Actors Fund Housing Development Corporation for the Redevelopment of the property for a residential project including affordable housing units. A meeting will be held on September 4, 2013, at 9:00a.m. at Hamilton Stage to discuss the status of this project and I will report verbally to the Rahway Redevelopment Agency Commissioners at the meeting to be held September 4, 2013.

4. **A&M Litigation:** This matter is to be discussed in closed session. The Court has appointed a Mediator to attempt to resolve the issue. A pre-mediation conference call has tentatively been scheduled for September 10, 2013.

5. **Meridia Waters Edge:** This project continues to proceed on schedule. A meeting will be held with the Redeveloper for September 5, 2013 at Hamilton Stage and I will report to the Commissioners as to the status of this meeting during the October, 2013 Executive Director's Report.

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6. **Meridia Brownstones:** Mark Fauci, representing American Properties appreciates the readiness and willingness of the Rahway Redevelopment Agency to discuss a beneficial development for the City of Rahway. Mr. Fauci and American Properties President, Randy Cisik would like to schedule a meeting with Bill Rack, Frank Regan and Peter Pelissier to ascertain if there is any opportunity for their company to develop within the City of Rahway. It is my understanding that American Properties is very close to signing an agreement for acquisition of the former Wheatena Site. At the September 5, 2013 meeting, with George Capodagali, we will discuss the status of his Company's negotiations with Mr. George Bean, as Mr. Capadagali's company has been designated the conditional Redeveloper for the property.

7. **Rahway Main Street:** There is a Resolution placed on the September 4, 2013 Agenda conditionally designating 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 a market rate residential development. This Resolution was discussed at the August, 2013 Redevelopment Agency meeting and tentatively agreed upon by the Commissioners who were present at that meeting. The Redeveloper is continuing to refine the plan improvements as presented at the August, 2013 Redevelopment Agency meeting.

8. **Hotel Indigo:** A meeting will be held at 12 p.m. noon on September 4, 2013 with Joe LoMonaco, Manager of the property (formerly known as Carriage City Properties) to discuss various issues including the closing of Hotel Indigo and the subsequent use of the property. I will report to the Commissioners at the regularly scheduled meeting on September 4, 2013.

I will be meeting with Council President on various matters and have invited him to meetings to review and discuss issues that will eventually come before the City Council that involve Redevelopment Projects including, Rahway Redevelopment Agency fees, sewer and water fees and allocation, Redevelopment Plan Amendments and PILOTS.

I have also communicated with Cindy Solomon, Director of Community Development for the City of Rahway, and Frank Regan, Esq. regarding all of the various matters that the Redevelopment Agency considers through emails, telephone calls and meetings with Redevelopers.

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

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

LEGAL REPORT

Frank Regan reported on a meeting with the Rahway River Condominium Association regarding the development of the property behind City Hall. And he discussed the closing on the AGL property. All other legal matters would be discussed in closed session.

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

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

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), continues working to complete all outstanding items.
 - b. Chiller Sound Wall-we have solicited and received new prices and prepared a contract for \$31,900 from K&D Contractors, which is being executed and the work is being scheduled ASAP.
 - c. Fire Alarm system-the Service Contract with Systems Sales Corporation has been executed. The requisite annual inspection and certification has been completed. One (1) smoke detector was found to be faulty and was replaced. The State Fire Inspection has been scheduled for October 3rd
2. *Meridia-Water's Edge*
 - a. The developer continues with the building and site construction, including the Levee repair.
 - b. DEP Water Main Extension Permit application has been received.
3. *Meridia's Lafayette Village*

The redeveloper continues working to comply with the NJDEP's Waterfront Development Permit requirements.
4. *Public Water Allocation for Future Redevelopment Projects*

On behalf of the Agency and the City, we have continued to work with NJDEP and they have issued the Water Main Extension Permits for Station Place, Water's Edge and Lafayette Village projects.
5. *Station Place at Rahway*

Station Place at Rahway continues with construction.
6. *AST Development Corp.*

Our office conducted a meeting with AST, Cindy Solomon and the Police Department and reviewed the realignment of the drive between East Milton Ave and Main Street. AST will now incorporate the driveway realignment into their preliminary Site Plan. The existing interior parking lot drive alignment from the Police Department driveway was also discussed on site and resolved how its connection should intersect with the new driveway through City Hall Plaza.

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

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

UNFINISHED BUSINESS

NEW BUSINESS

Presentations:

- **Fulton Street Redevelopment Project**

Joel Schwartz made a presentation to the Commissioners regarding the Mango's property. The general consensus was that it was a good project which would improve the neighborhood.

Resolutions:

42-13: RESOLUTION AUTHORIZING THE AWARD OF A CONTRACT TO K&D CONTRACTORS, LLC FOR INSTALLATION OF CHILLER SOUND WALLS AT THE HAMILTON STAGE LOCATED AT 370 HAMILTON STREET, RAHWAY

WHEREAS, the Rahway Redevelopment Agency (hereinafter referred to as the "Agency") is the owner in fee simple of certain real property located at 370 Hamilton Street in the City of Rahway, County of Union, New Jersey, designated as Lots 38, 39, 44 & 45, Block 167 on the official Tax Map of the City of Rahway and includes the Hamilton Stage (hereinafter "the Property"); and

WHEREAS, there exists for the Agency, a need for the services of a qualified contractor to construct a sound wall around the chiller equipment servicing the Property (the "Services"); and

WHEREAS, the Authority solicited quotes/bids in accordance with Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) and applicable regulations for the Services; and

WHEREAS, the Agency treasurer is a qualified purchasing agent in accordance with the Local Public Contracts Law

WHEREAS, quotes/bids were solicited for the Services from three (3) contractors and following are the responses received:

1. K&D Contractors, LLC: \$31,900.00
2. Chris Dembecki, Carpenter Contractor LLC: \$35,500.00
3. JR Maxwell Builders: declined to provide a price; and

WHEREAS, the lowest quote/bid received is below the bid threshold of \$36,000.00; and

WHEREAS, the Agency staff, consultants and general counsel have determined that K&D Contractors, LLC has submitted the lowest quote/bid, and therefore recommends that the contract for the Project be awarded to K&D Contractors, LLC in accordance with the provisions of the Local Public Contracts Law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioner of the Rahway Redevelopment Agency as follows:

1. K&D Contractors, LLC, 351 Monroe Avenue, Kenilworth, N.J. 07033 has submitted the lowest responsive quote/proposal for the Services in the amount of \$31,900; and
2. The Chairman and Executive Director are hereby authorized and directed to execute for the Agency a contract with K&D Contractors, LLC to undertake the Services in accordance with its quote/bid, which shall remain on file in the Agency's office and available for public inspection.
3. That this contract shall be in an amount not to exceed \$31,900.00 payable upon completion of the Services as outlined in the quote/bid.
4. A certified copy of this resolution shall be forwarded to K&D Contractors, LLC, 351 Monroe Avenue, Kenilworth, N.J. 07033.

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 October 2, 2013.

A motion was made by Commissioner Sefranka and Seconded by Commissioner Deige to approve the resolution.

Yes: Commissioners Deige, Nash, Sefranka, Rack

Absent: Commissioner Staryak

43-13: A RESOLUTION TO AWARD A PROFESSIONAL SERVICES CONTRACT TO WHITESTONE ASSOCIATES, INC. FOR ENVIRONMENTAL CONSULTING SERVICES RELATIVE TO PROPERTIES LOCATED ON BLOCK 318 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA AND PART OF THE SLOKKER REDEVELOPMENT PROJECT

WHEREAS, there exists for the Rahway Redevelopment Agency (the "Agency"), a need for the services of a firm specializing in environmental consulting services relative to providing NJDEP regulatory compliance and reporting services in support of the Slokker redevelopment project for the Block 318 properties (the "Properties") owned by Dornoch Rahway II, LLC, the Rahway Parking Authority and City of Rahway, located in the Central Business District Redevelopment Area; and

WHEREAS, the Agency has designated Slokker as conditional redeveloper of the Properties for purposes of developing a mixed use project and the Properties have been identified to have some level of contamination that will require remediation; and

WHEREAS, the NJDEP has designated the City as a Brownfield Development Area ("BDA") and as such the Agency is eligible for grants and loans for environmental investigations and remediation of properties identified

for redevelopment and the Agency is desirous of assisting Slokker with the redevelopment of the Properties; and

WHEREAS, in order for the Agency to have the Properties be included in the BDA and apply for grant and loan funding for the redevelopment of the Properties, certain NJDEP regulatory compliance and reporting services are required; and

WHEREAS, Whitestone Associates, Inc. submitted a proposal, dated September 26, 2013 to provide the services described above for the Properties, a copy of which is attached hereto and made part of this Resolution; and

WHEREAS, the General Counsel has reviewed the certification of the Treasurer and is satisfied that said certification is in proper form; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires that resolutions authorizing the award of contracts for "Professional Services" without competitive bids must be publicly advertised; and

WHEREAS, the cost of the services outlined in the proposal submitted by Whitestone Associates, Inc. is intended to be funded by Slokker from its escrow account with the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioner of the Rahway Redevelopment Agency as follows:

1. The Chairman and Executive Director are hereby authorized and directed to execute for the Agency a professional services contract with Whitestone Associates, Inc., 35 Technology Drive, Warren, New Jersey 07059 to provide services in accordance with its proposal which shall remain on file in the Agency's office and available for public inspection, subject to confirmation that the cost of the services shall be funded by Slokker from its escrow account with the Agency.
2. That this contract shall be in the amount of \$20,000.00 payable upon completion of each task as outlined in the proposal.
3. This agreement is awarded without competitive bidding as a "Professional Service" under the provisions of the Local Public Contracts Law (N.J.S.A. 40A:11-5) because it is a recognized profession, licensed and regulated by law and is not possible to obtain competitive bids.
4. A notice of this action shall be printed in the Legal Newspaper of the Agency as required by law within ten (10) days of its passage.
5. The vendor shall supply the Agency with the Federal Affirmative Action Plan Approval or State Certificate of Employee Information Report within the time period specified by N.J.A.C. 17:27. The contract shall contain the mandatory affirmative language for professional services contracts required by N.J.A.C.17:27, a copy of which shall be attached to and incorporated in the professional services contract authorized herein.
6. The vendor shall agree to comply with the requirements of Title II of the Americans with Disabilities Act of 1990 and indemnify, protect and save harmless the Agency from all suits, claims, losses, demands or damages of whatever kind or nature arising out of or claimed to arise out of alleged violations of the Act. A copy of the Act shall be attached to and incorporated in the professional services agreement authorized herein.

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 October 2, 2013.

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

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

44-13: 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 PERSONELL, 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 potential litigation and 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 October 2, 2013, 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 of the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey adopted at a regular meeting held on October 2, 2013.

A motion was made by Commissioner Sefranka and Seconded by Commissioner Deige to approve the resolution.

Yes: Commissioners Deige, Nash, Sefranka, Rack

Absent: Commissioner Staryak

TO RETURN TO PUBLIC SESSION AFTER CLOSED SESSION

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

Yes: Commissioners Deige, Nash, Sefranka, Rack

Absent: Commissioner Staryak

COMMISSIONER'S COMMENTS

None

ADJOURNMENT

There being no further business, the meeting adjourned at 8:10 PM.