

# PERTH AMBOY REDEVELOPMENT AGENCY

## TUESDAY, MAY 4, 2010

### REGULAR MEETING MINUTES

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Open the meeting

Pursuant to the Open Public Meetings Act, please take notice that a regular public meeting of the Perth Amboy Redevelopment Agency will take place on Tuesday, May 4, 2010 at 7:00 pm in the Council Chambers of the Perth Amboy City Hall Building, at 260 High Street, Perth Amboy, New Jersey 08861. Notices of this meeting have been sent to the Home News Tribune, the Star Ledger, and the Amboy Beacon and posted in the City Clerk's Office.

1. Salute to the Flag

2. Roll Call

	Present	Absent
Comm Bolanowski	X	
Comm. Jacobs	X	
Comm. James-Waldon	X	
Comm. Jasko	X	
Comm. Piatkowski	X	
Comm. Rabbi Zalma		X
Chairwoman Diaz	X	

3. Meeting Minutes, April 6, 2010

	Move	2 <sup>nd</sup>	Aye	Opposed	Absent	Abstain
Comm Bolanowski	X		X			
Comm. Jacobs			X			
Comm. James-Waldon						X
Comm. Jasko		X	X			
Comm. Piatkowski			X			
Comm. Rabbi Zalma					X	
Chairwoman Diaz			X			

4. Bill List - **Bills total \$19,588.36**

	Move	2 <sup>nd</sup>	Aye	Opposed	Absent	Abstain
Comm Bolanowski			X			
Comm. Jacobs	X		X			
Comm. James-Waldon		X	X			
Comm. Jasko			X			
Comm. Piatkowski			X			
Comm. Rabbi Zalma					X	
Chairwoman Diaz			X			

5. **Presentations** – Chairwoman Diaz stated that we have two presentations scheduled for tonight's meeting. The first one is by the **Perth Amboy Housing Authority**. Mr. Dzema is here to discuss the amendments that they are requesting in the Redeveloper Agreement with PARA for the Senior Living Facility on New Brunswick Avenue.

**Mr. Dzema** - We're here to provide an update on 618 New Brunswick Avenue. Demolition is underway. 84 Senior units to be construction. We have brought the development team to answer any questions: Ed Testino, Lara Shwegger, development partner, and George Hibbs, Clark Caton & Hintz – design architect. We're pleased to inform PARA that they have been awarded tax credits to fully fund the project: \$950K of HUD funds, \$1M grant from Freeholders, \$6M stimulus grant (tax credit exchange program) then remainder of project is tax credit. Seniors in the building will also get additional HUD subsidies in 31 units. As a condition of the grant, they will need to begin construction before August 19<sup>th</sup>. Apologize for the tight timelines. Commissioner Piatkowski asked about the other 53 units. Mr. Dzema stated that they were affordable housing.

In January the Housing Authority issued a request for proposal for a development partner. HMFA required experienced developer. They received 6 responses and chose the Ingerman Group from Cherry Hill NJ.

**Mr. Dzema** stated that the site plan revisions do not cause them to be out of compliance with the redevelopment zoning in the area. The minor changes include: 1. footprint of the building is smaller, 2. setback on New Brunswick Ave has increased, 3. Driveway on side of building is eliminated. Instead they worked with the fire department and agreed that grass pavers in front and back of the building is preferred. 4. Height of building has been reduced by 5 feet. Unit sizes remain the same.

**Lara Shwagger**, Ingerman Group, explained that MBI is the Ingerman, development arm, construction arm and management arm. They handle projects from RFP through construction and compliance and have been doing it for 20 years. They have 5000 apartment homes throughout the Northeast.

**George Hibbs**, Clark Caton and Hintz architects, explained that the reduction in building size allowed for more green space exterior to the building. Main entrance to the building will be from parking lot area rather than from New Brunswick Ave. They feel the building is designed to allow them to connect to the neighborhood and adjacent park.

**Commissioner James-Waldon** stated that while she was disappointed that the former votech was demolished, she does like the new design. Her concern is that during construction there is a daycare facility adjacent to the demo area. She is concerned with potential debris and construction hazards for the kids. They need to be aware and address this concern. Mr. Dzema agreed to look into it tomorrow.

**Chairwoman Diaz** asked about handicap access. Mr. Dzema stated that the design is specifically for 12 units but the other units have been designed to be converted.

**Commissioner Piatkowski** stated that the project was originally to be an enhanced facility and it was necessary to be modified as a result of the lack of financing. Some of the amenities were lost. He asked what public areas or common areas that were in the previous plan have been eliminated. Mr. Hibbs responded that there are 5000 sf of communal space on the first floor – this is approximately double what was originally proposed and includes the Community Room (1700sf with 200sf kitchen), rec room, library. Things that could not fit were medical office but we have a larger office where a visiting physician could make use of the space. The store has

been eliminated. Mr. Dzema added that they will have 20 hr /wk social service rep and an understanding with JRF medical group. There will not be a shortage of social services.

**Mr. Dzema** explained that the HAPA owns land. They will enter into a long term lease for 99years with MBI. Tax credit benefit is 15 year. After 15 year HAPA takes over the building.

**Commissioner Piatkowski** asked if the private entity impacts the PILOT. Mr. Dzema stated that it does not. There is one formula for tax credits. This is not negotiable. Tax revenue to city is based on income minus expenses and 6.28 percent goes to the city.

**Commissioner Jasko** asked what if the developer was to default, does the HAPA have the responsibility to move forward? Mr. Dzema stated that Ingerman will guarantee the project. Mr. Maraziti stated that the resolution before the commissioners requires that the HAPA be responsible in the event of a default.

**Chairwoman Diaz** thanked Mr. Dzema for the presentation.

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**The second presentation is the SMITH AND CONVERY project.** This will be presented by Mr. George Otlowski, the attorney for a local business looking to become designated as redeveloper of the property on the corner of Smith Street and Route 35.

**Mr. Otlowski** stated that he has two witnesses, the architect and the planner. They are proposing the demolition of the existing site in order to build new gas station and convenience store. They are currently negotiating with State to try to get driveway on Route 35.

**Mr. Soffiantini**, architect, explained the site plan. The intent is to demolish and reconfigure the site as a gas station and convenience store. Site is gateway to city and they will look to enhance the entrance through architectural elements.

**Angelo Valatutto**, engineer, stated that the driveway is the primary concern. Traffic engineer believes that they should be able to get right in, right out driveway. Also want to rotate islands to accommodate better traffic flow. He stated that the total cost of project is approx 1.5M.

**Commissioner Jasko** asked about the building materials. Soffiantini stated they would be masonry brick and glass.

**Mr. Maraziti** asked about the project timing. Mr. Otlowski stated that construction can be completed in approx 6 months of starting. Financing is not an issue. Chairwoman Diaz thanked them for the presentation.

## 6. **Executive Director's Report**

Ms. van Eckert stated that she ran into Jim Zullo, with Tim Haas, LLC. , at a conference. Mr. Zullo previously worked with NJ Transit. Mr Zullo offered to come to PARA and discuss transit villages, the pros and cons. The Commissioners asked that we arrange for him to present at the June meeting. We should also invite the Planning Board and City Council.

### a. **FORMER CELOTEX SITE**

**GATEWAY PROPOSALS** – Ms. van Eckert reminded the commissioners that the proposals for the Celotex site are due on Thursday.

**EAGLESWOOD ACADEMY** - Ms. van Eckert stated that she has reached out to Mr. Dyke to request any graphics or descriptions of the former Eagleswood Academy. She'd like to get the Commissioner's approval to attempt to incorporate the classic architectural elements of the former facility into anything that is developed on the property. This would allow us to celebrate the history of the site and remember it on a daily basis through the architectural reminder as you enter the City. Ms. van Eckert stated that she couldn't think of a better Gateway to a historic community. Hopefully we will be able to find grant money to cover the cost associated with the writing of the Special Zoning. The commissioners agreed. Chairwoman Diaz stated that we should ask the designated redeveloper to allow a period of time to conduct an archeological dig on the property and asked that we attempt to include this in the eventual redeveloper agreement.

b. **500 HIGH STREET** – Ms. van Eckert stated that she believes that we've made progress w/r/t the parking situation for the site. The engineer is preparing a project schedule for review. We have a meeting scheduled to meet with the engineer.

c. **LANDINGS AT HARBORSIDE** – Ms. van Eckert met this morning with the NJDEP re the HDSRF grant requests that have been submitted. They have been approved by the NJDEP Case Manager and now go to the NJEDA. There is a concern with respect to possible liens that may be put on the property if the money is used for remediation. Hopefully we will get this last issue resolved as the application moves through the State agencies for approval.

d. **CITY LANDFILL** – the HDSRF grant application that was before the NJEDA has received verbal approval. We're now waiting for it to come in the form of a contract.

7. **Attorney's Report** – Mr. Maraziti stated that his report will be in closed session.

8. **Engineer's Report** – Mr. Herits stated:

**500 High Street** meeting will be able to work if they back into the allowable parking spaces; 6 for restaurant and 1.5 per unit.

**Connector Road** – Mr. Herits stated that he has a PSEG job number to try to get prices for lighting. He gave contact info to Helga for the City to try to reach out.

9. **Public Session** – no one from public.

10. **Resolutions**

**R 5:10:353** Resolution of the Perth Amboy Redevelopment Agency Authorizing Closed Session Pursuant to the Open Public Meetings Act to Discuss Real Estate Transactions & Contract Negotiations

Commissioner Piatkowski asked to amend the Resolution to included 550 Smith S

	Move	2 <sup>nd</sup>	Aye	Opposed	Absent	Abstain
Comm Bolanowski	X		X			
Comm. Jacobs			X			
Comm. James-Waldon			X			
Comm. Jasko		X	X			
Comm. Piatkowski			X			
Comm. Rabbi Zalma					X	
Chairwoman Diaz			X			

Commissioner Piatkowski stated that the Chairwoman needed to leave.  
We're back from closed session.

**R 5:10:354** Resolution of the Perth Amboy Redevelopment Agency Providing Certificate of Completion for the Sheridan Realty, LLC Redevelopment Project on Block 77, Lot 20.01

	Move	2 <sup>nd</sup>	Aye	Opposed	Absent	Abstain
Comm Bolanowski	X		X			
Comm. Jacobs			X			
Comm. James-Waldon			X			
Comm. Jasko			X			
Comm. Piatkowski		X	X			
Comm. Rabbi Zalma					X	
Chairwoman Diaz					X	

**R 5:10:355** Resolution of the Perth Amboy Redevelopment Agency Authorizing Execution of Amendment to the Redeveloper Agreement with the Perth Amboy Housing Authority Regarding the Lease of the Site to the Selected Development Partner and Review of the April 2010 Plans.

	Move	2 <sup>nd</sup>	Aye	Opposed	Absent	Abstain
Comm Bolanowski	x		X			
Comm. Jacobs			X			
Comm. James-Waldon			X			
Comm. Jasko	X		X			
Comm. Piatkowski			X			
Comm. Rabbi Zalma					X	
Chairwoman Diaz					X	

**MOTION** – Commissioner Jacobs made a motion that the Executive Director and Chairwoman negotiate an Interim Cost Agreement between PARA and 550 Smith Street. All in favor

11. Public Session – All concerns No one from the public.

Adjourn

Sincerely

Helga van Eckert  
Executive Director