



PERTH AMBOY REDEVELOPMENT AGENCY

Tuesday, May 3, 2016

Regular Meeting Minutes

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 3, 2016 at 6:00 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 and the Star Ledger, and posted in the City Clerk's Office.

1. Salute to the Flag

2. Roll Call

	Present	Absent
Comm. Bolanowski	X	
Comm. Giron		X
Comm. Jacobs	X	
Comm. Jasko	X	
Comm. Pabon	X	
Comm. Rosa	X	
Chairperson Diaz		X

Commissioner Giron joined after roll call was taken.

3. Bill List - \$23,200.00

	Move	2 nd	In favor	Opposed	Absent	Abstain
Comm. Bolanowski	X		X			
Comm. Giron			X			
Comm. Jacobs		X	X			
Comm. Jasko			X			
Comm. Pabon			X			
Comm. Rosa			X			
Chairperson Diaz			X			

4. Meeting Minutes

- o Meeting Minutes for April 12, 2016

	Move	2 nd	In favor	Opposed	Absent	Abstain
Comm. Bolanowski			X			
Comm. Giron			X			
Comm. Jacobs						X
Comm. Jasko		X	X			

Comm. Pabon	X		X			
Comm. Rosa			X			
Chairperson Diaz						X

5. Executive Director’s Report

There is a resolution on today’s agenda for the **2014-2015 Audit** you received either electronically or by hard copy. There were no surprises and overall things look good. If you have any specific questions related to the audit, our auditor, Mr. Butvilla is here to address them.

Still discussing PILOT internally in regards to **ePort I**. Construction is still moving along according to schedule. Mr. Herits might have additional information in his report.

The investigation report for the **new redevelopment area** was presented at the March Planning Board meeting. The public hearing was continued until the May meeting, which is taking place tomorrow. Annie will be attending this meeting and will have an update at for the commissioners in June. Currently, the update of the redevelopment plan is scheduled to be presented to the Planning Board in July.

Annie met with a potential new user for the entire **Gateway** site last week. It is an amusement park focused on athletics, training and active lifestyles. This user is working on seeing how a layout could work on the site with Viridian.

Annie sent the RFP for **King High Garage** to you all last week. She asked that she receives any comments/concerns back by the end of this week before it goes out to the public.

Cleanup is complete at **500 High Street**. They’ve now begun masonry work and the project is moving along on schedule.

No update for the **Gerdau** site as the purchases are still working on some front end issues.

We still do not have dedication from the Board of Education for the **Connector Road**.

We’ve started discussions with **Smith Street Realty** on the potential acquisition of a portion of the Water Utility’s operations. This decision will determine how the rest of the project moves forward. Administration is expected to make a decision mid-May.

The developer’s for **Perth Amboy Self Storage** are meeting with Annie later this month. They needed time to make adjustments to the site given the environmental conditions, and now they’re ready to present their findings.

The **Convery Complex** project has been on hold due to a death in the family. Annie will provide an update as soon as she hears something.

6. Citizen’s Campaign Presentation

	Move	2 nd
Comm. Bolanowski		
Comm. Giron		X
Comm. Jacobs	X	
Comm. Jasko		
Comm. Pabon		
Comm. Rosa		
Chairperson Diaz		

Chairwoman Diaz: "Due to scheduling differences, Mr. Pozycki will be making a presentation. He is a late starter, but I would like to make a motion for him to make the presentation."

Harry Pozycki, Chair of Citizens Campaign and resident of Perth Amboy: "The Citizen's Campaign facilitates civic trust. There are trusts in Trenton, Perth Amboy, Newark, and one growing in Asbury Park. Consist of a couple dozen, civic-minded citizens. They devote minimum of up to three years and they seek solutions based on evidence of success and not obligated by a team of experts known as Law/policy taskforce. This taskforce is made up of volunteers/experts in law, policy, and government. This taskforce is chaired by former Supreme Court Justice, Gary Stein. Civic trustees in Perth Amboy choose own issues. Arts/economic development was one of the chosen issues. They were very much at the forefront of advocating for gaining adopt of Arts Council with the Mayor's support, also a Green Team. Redevelopment report on the waterfront was put together and its purpose was to be a base to be used by the city to market it to prospective developers. Demonstrates funding sources of redevelopment and various agencies and only facilitates redevelopment. I would like to compliment the administration on a fabulous job and this administration has set the foundation for redevelopment to flourish.

Recommendations are on page 9 and while you are looking at that I would like to introduce to you the principle author of the report, Shaneel Stokes, who is also a resident of Perth Amboy and a member of the Citizens Campaign. He is a professor at Monmouth University in the School of Real Estate. There was continuing consultation with Jorge Cruz and Annie Hindenlang to finish this report. Ms. Hindenlang made some smart recommendations and they were incorporated into the report. The recommendations, which can be found on page 9 are as follows:

1. Contract with a public/private redevelopment firm that has expertise in creating public financial packages, including public incentives as well as market financing to determine best redevelopment opportunity and negotiating large scale complex real estate options.

I was an expert in the field of real estate. I did some work in Metuchen and Freehold. At the state level, I was an advisor to a number of governments. On the business side, I founded a law firm in large scale redevelopment. For example, I negotiated with the City of Asbury Park and was general counsel to my little brother, who has the largest real estate firm in the Northeast. Large scale redevelopment – negotiated with Asbury Park. When work marketing analysis is used, this analysis is for someone who is in the business. Someone intimately familiar with this analysis is called stack financing where public and private financing is available. That is really the basis available for pointing out item one (1).

We also said they need to be cost-effective with real evidence. I would like to offer our law/policy taskforce because many of the members deal in large scale redevelopment. Finally there is one item I became privy to, which is the process of rebuilding the Master Plan. County will actually

contract with a public/private firm for market analysis in large-scale redevelopment and make that service available with municipalities. It is good for Perth Amboy to tap into these resources. We won't be offended if you don't use any of our experts to conduct this analysis, but I wanted to bring this information to you.

There is value in taking recommendations as my brother just built the Prudential, USA headquarters in Newark and the Panasonic building in Newark. We were shocked that there were no reports showing the various parcels of land and the various agencies worked with. The recommendations come partly from Annie Hindenlang, Shaneel Stokes, and Jorge Cruz. We thank you so much for putting us on the agenda."

Chairwoman Diaz: "Thank you Harry. I was at a meeting with all of the Mayors and was there when there was an initiative launched and Annie was contacted. They sent us a recommendation for a Sports Arena group that wants to come in. I want to thank you for sharing this with us. We would like to wait to give you any recommendations. Do any of the Commissioners have any questions?"

Commissioner Jacobs: "I had an opportunity to review this report and I just want to thank you very much and think it is excellent report. Particular recommendation is so timely. We have a major project that has been put forward to the board last month and it is a project that was put forward by Kushner. There have been a lot of questions regarding the best and highest use for that project. This recommendation that experts come in and conduct an analysis for this parcel, is a great idea. I think some of us feel that more can be done after looking after the presentation."

Harry Pozycki: "After the presentation there were a lot of board members at the Citizen's Campaign that were asking about rental. Well, people in the business understand that through rentals, you can increase your business portfolio. These are investments as opposed to housing investments. These experts informed the trustees that this is really how you create amenities. Higher amenities, higher rent. Matter of negotiating in the quality of amenities, not necessarily whether you own or rent."

Chairwoman Diaz – "Definitely will be having conversations about this. We would like to have conversations with the Commissioners and the Executive Director. We will be in discussion and in touch. Thank you for the report."

7. Engineer's Report

Mr. Herits: "Truss is up, roofing material will be up soon. Building C, the building along the hill, I was told that the construction will be ready to begin. Building B is currently a pile of dirt being moved around site. Delaney Homes is two months away from opening up, already reduced some of the bond. Which mean, most of the site improvements are in. The only other thing is about the Self Storage site and according to the City Engineer said that the FEMA match is in flood zone, not allowed there. Need letter of no interest, but really is not in flood zone."

8. Attorney's Report

Maraziti: "No particular report, there is nothing to present, but if the Board has any questions, I will be happy to address them."

Commissioner Pabon: "I am confused about what happened with the other attorney at the last meeting. Just to be quite frank, I came here and you (Maraziti) are our attorney and were unaware of how that even occurred."

Maraziti: "I am not the person to ask, but my understanding is that Mr. Kushner does not want to deal with Joe Maraziti. I think that this is another law firm, not mine that is representing."

Commissioner Pabon: "We all need to know what happened."

Chairwoman Diaz: "I was not present at the last meeting, but I believe the redevelopment agency did designate someone for the Kushner projects, just for the particular project."

Maraziti: "Mr. Kushner was unhappy with negotiations I was providing. I was representing the City to the best of my abilities. I cannot fully verify anything."

Commissioner Pabon: "This body, including myself voted on this?"

Chairwoman Diaz: "I believe this resolution was passed back in January."

Commissioner Bolanowski: "I believe we passed a list of firms or attorneys for this particular project, but not any to replace Mr. Maraziti."

Administrative Assistant Bhogal: "From my understanding, our Law Director has been dealing with the Landings as they have been going back and forth with the City and, from her law firm, someone was chosen to represent the Landings. Frank Regan from DeCotiis was chosen, to my knowledge."

Chairwoman Diaz: "We are going to go back and make sure to have more information for the commissioners."

Commissioner Jacobs: "I think that is fair enough, but as Joel had stated, if Mr. Maraziti could represent us, I would be happy with that."

Chairwoman Diaz: "There have been some disagreements between Kushner and Mr. Maraziti."

Mr. Maraziti: "Yes, Mr. Kushner was very unhappy with the representation that I was providing for PARA and the negotiations I was providing and stormed out of this room. All I can say is that I am very proud of my decisions and how I represented the Agency."

Chairwoman Diaz: "I took a very strong stance in regards to this development. I definitely want to get back to the commissioners at the next meeting."

9. **Public Session** (Agenda Items Only)

Motion to open the public portion as it relates to agenda items:

	Move	2 nd
Comm. Bolanowski		X
Comm. Giron	X	
Comm. Jacobs		

Comm. Jasko		
Comm. Pabon		
Comm. Rosa		
Chairperson Diaz		

Motion to close the public portion as it relates to agenda items:

	Move	2 nd
Comm. Bolanowski	X	
Comm. Giron		X
Comm. Jacobs		
Comm. Jasko		
Comm. Pabon		
Comm. Rosa		
Chairperson Diaz		

10. Resolutions

R: 05:16:13 – PERTH AMBOY REDEVELOPMENT AGENCY 2014-2015 AUDIT RESOLUTION

	Move	2 nd	In favor	Opposed	Absent	Abstain
Comm. Bolanowski			X			
Comm. Giron	X		X			
Comm. Jacobs			X			
Comm. Jasko			X			
Comm. Pabon		X	X			
Comm. Rosa			X			
Chairperson Diaz			X			

Chairwoman Diaz: "Are there any questions regarding the audit?"

Commissioner Bolanowski: "In the report it states that there were no surprises and everything looks good. Is that an accurate statement?"

Robert Butvilla (PARA Accountant): "Yes, there is a page in the back of the report and there are no recommendations whatsoever. It was an exciting audit."

Commissioner Bolanowski: "This document is a very general overview of everything. It does not go into detail."

Mr. Butvilla: "There's no payroll for PARA. PARA is a pretty simple financial operation."

Commissioner Bolanowski: "I appreciate the beginning and ending balance."

Mr. Butvilla: "One highlight regarding the prior administration's debt, PARA has paid all of that off."

Ms. Bhogal: "I just want to add that Mr. Butvilla has been very accommodating and has helped significantly with the accounting and I will have even more updates in terms of the billing going forward. Thank you, Mr. Butvilla."

11. **Public Comment** (Any PARA Matter)

Motion to open to public comment on all PARA matters:

	Move	2 nd
Comm. Bolanowski		
Comm. Giron		
Comm. Jacobs		
Comm. Jasko	X	
Comm. Pabon		X
Comm. Rosa		
Chairperson Diaz		

Fernando Gonzalez, 129 High Street: "I, like Mr. Pabon, am somewhat surprised that the Mayor and no one knew that the new attorney was here. I am concerned that and I don't know what PARA's procedure is to choose an attorney, but it is important to clarify those procedures. I am concerned about the attorney because based off of what I'm hearing, Maraziti has been doing a great job representing PARA. I think we have a tendency to be too cozy with developers. I am concerned. In terms of negotiating contracts, I am concerned the City is not given away to developers. Please, I want to alert you to the fact that negotiation is taking place. I will be frank with you, that like the YMCA, citizens of Perth Amboy are getting raw deal. Do not want citizens of Perth Amboy to get a raw deal. I want to make sure you all are asking the right questions. Thank you."

Motion to close the public comment session on all PARA matters:

	Move	2 nd
Comm. Bolanowski		X
Comm. Giron		
Comm. Jacobs		
Comm. Jasko		
Comm. Pabon	X	
Comm. Rosa		
Chairperson Diaz		

Chairwoman Diaz: "I am still a little concerned regarding the list of attorneys. I know that was done by our former Business Administrator, Mr. Pelissier. I was not at that meeting to pass that resolution and would like to hear your counsel."

Mr. Maraziti: "I was also not present at that meeting and was informed by Mr. Pelissier that DeCotiis would be taking over for the Landings litigation. I was informed by my partner, Andy Brewer, that we (Maraziti Falcon, LLC) was reappointed to PARA."

Commissioner Jacobs: "I don't recall voting on that."

Chairwoman Diaz: "I was not present at that meeting, but will get some clarification."

Ms. Bhogal: "I will get that information to you."

Mr. Maraziti: "Shortly after, we had another passionate meeting and the Landings litigation, the City was defended by another firm-McManimon and Scotland. I do now remember that Peter Pelissier stated that there would be a decision that DeCotiis would handle that matter from here on out. I am not opposed to that and would take every position I took with Mr. Kushner all over again. I would have no problem sitting at the table and speaking.

Chairwoman Diaz: "This Redevelopment Agency has always looked out for the interest of the community. We have Hobart Street, Hobart Plaza, Viridian, Dunlap Homes, New Brunswick Avenue project-they all have been great projects. I assure you Councilman that any and every project on behalf of this Agency have been with the citizens in mind. We want to create rateables and ensure that Landings has not come into fruition because of the Commissioners. We have made sure that we address the concerns of the citizens, first and foremost. We want to have development that makes sense for the City of Perth Amboy. We have commissioners on this board that always make sure they are making decisions for the citizens of Perth Amboy."

Mr. Maraziti: "I agree Mayor and I want to thank you for being so passionate and aggressive during those meetings."

Chairwoman Diaz: "Thank you, Mr. Maraziti."

12. Motion to Adjourn

	Move	2 nd
Comm. Bolanowski		
Comm. Giron		
Comm. Jacobs	X	
Comm. Jasko		
Comm. Pabon		X
Comm. Rosa		
Chairperson Diaz		