

# Rahway Redevelopment Agency

## - MINUTES -

Regular Meeting  
June 15, 2006  
6:30p.m.

### CALL MEETING TO ORDER

*The meeting was called to order at 6:40 p.m. in the Rahway Public Library.*

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### SALUTE THE FLAG

*Commissioners, officials and public attendees saluted the flag.*

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### OPEN PUBLIC MEETINGS ACT

*This meeting was advertised and posted in accordance with the Open Public Meetings Act of the State of New Jersey.*

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### ROLL CALL

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

Carlos Garay, Commissioner  
James Ferrell, Commissioner  
Timothy Nash, Commissioner  
Nancy Saliga, Commissioner  
Courtney Clarke, Vice Chairman  
William Rack, Chairman

*The following official was absent:*

Anthony Deige, Commissioner

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### APPROVAL OF MINUTES

*The minutes of the following meeting was moved, seconded, and then adopted by roll call vote:*

May	18,	2006	Regular	Meeting
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### CORRESPONDENCE-*Those letters marked with an asterisk were discussed at this time.*

*The following correspondence was received:*

- 1. Letter dated May 9, 2006 from Mayor James J. Kennedy to Mr. James Ferrell regarding his appointment to the Rahway Redevelopment Agency.*
- 2. Letter dated May 10, 2006 from Schoor DePalma to the Rahway Redevelopment Agency regarding a request for a Waterfront Development Permit for remedial soil borings.*
- 3. Letter dated May 12, 2006 from David R. Lloyd, Director, Office of Brownfields Cleanup and Redevelopment to Ms. Lenore Slothower, AICP, regarding the proposal submitted to the EPA for a brownfields cleanup grant.*
- 4. Letter dated May 18, 2006 from Lenore A. Slothower to Mr. Raffio Giacobbe regarding Blocks 353 and 161 redevelopment status.*
- 5. Letter dated May 18, 2006 from Lenore A. Slothower to Best Western, Mr. Kishor Y. Joshi, regarding Block 338 redevelopment status.*
- 6. Letter dated May 18, 2006 from Lenore A. Slothower to Sleep Inn and Suites, Mr. Ramesh Patel, regarding Block 338 redevelopment status.*

7. Letter dated May 18, 2006 from Lenore A. Slothower to Mr. William Hering, S.M. Electric Company, Inc., regarding Block 281 redevelopment status.
8. Letter dated May 18, 2006 from Lenore A. Slothower to Mr. Louis Vidal, Renaissance at Rahway, regarding Block 379 redevelopment status.
9. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Mr. Casey Granieri regarding "Kelly's" redevelopment status.
10. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Mr. Joel Schwartz, Landmark at Rahway, LLC, regarding Block 157 redevelopment status.
11. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Mr. Carlos Silva, Silcon, Inc., regarding Block 316 redevelopment status.
12. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Mr. Carl Erler, Esq., Wheatena Urban Renewal, LLC, regarding redevelopment status.
13. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Dornoch-Rahway, LLC, regarding redevelopment status.
14. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Clayton A. Bonny, regarding Block 149 redevelopment status.
15. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Kenneth Schwartz, Diversified Communities, regarding Riverwalk and Regency Park redevelopment status.
16. Letter dated May 18, 2006 from Peter H. Pelissier, Executive Director, to Mr. Michael Merlis, T & S Developers, regarding Block 319 redevelopment status.
17. DELETE Letter dated May 18, 2006, from Francis X. Regan, Esq., General Counsel, to Craig H. Feldman, Riverwalk Developers, LLC, regarding unit # 306, a/k/a 1361 Essex Street, Rahway, NJ.
18. DELETE Letter dated May 18, 2006 from Francis X. Regan, Esq., General Counsel, to Craig H. Feldman, Riverwalk Developers, LLC, regarding unit # 201, a/k/a 1417 Essex Street, Rahway, NJ.
19. Letter dated May 23, 2006 from Francis X. Regan, Esq., General Counsel, to Craig H. Feldman, Riverwalk Developers, LLC, regarding unit #306, a/k/a 1361 Essex Street, Rahway, New Jersey.
20. Letter dated May 23, 2006 from Francis X. Regan, Esq., General Counsel, to Craig H. Feldman, Riverwalk Developers, LLC, regarding unit # 201, a/k/a 1417 Essex Street, Rahway, New Jersey.
21. Letter dated May 23, 2006 from Francis X. Regan, Esq., General Counsel, to John DeNoia, Esq. regarding 1797 Lenington Street, Block 353, Lot 2 Redevelopment Agreement.
22. Letter dated May 24, 2006 from Francis X. Regan, Esq., General Counsel, to Craig H. Feldman, Esq., Riverwalk Developers, LLC, regarding unit # 205, a/k/a 1401 Essex Street, Rahway, NJ.
23. Letter dated May 25, 2006 from Richard A. Moralle, P.E., T & M Associates to Property Owners within 200 feet of Block 304, Lots 5 & 6 regarding a NJDEP Stream Encroachment Permit Application.
24. Letter dated May 30, 2006 from Lenore A. Slothower to Mr. Kenneth Schwartz, Diversified Communities, regarding the Regency Park presentation at the June 15, 2006 Redevelopment Agency meeting.
25. Letter dated May 30, 2006 from Lenore A. Slothower to Mr. Philip J. Morin III, Esq. regarding the Rahway Industrial Sites presentation at the June 15, 2006 Redevelopment Agency meeting.
26. Letter dated May 30, 2006, from Lenore A. Slothower to Mr. Glen Fishman regarding the Dornoch-Rahway III presentation at the June 15, 2006 Redevelopment Agency meeting.
27. Letter dated May 24, 2006 from GMM Associates, Inc. to Rahway Redevelopment Agency regarding the redevelopment of Blocks 353 and 161.
28. E-mail dated May 24, 2006 from Casey Granieri to Lenore Slothower regarding KC Jazz status update.
29. Letter dated May 25, 2006 from Clayton A. Bonny to Peter Pelissier, Executive Director, regarding Station Place at Rahway.
30. Letter dated May 26, 2006 from Ray Mikell, Executive Director, Rahway Center Partnership and Josh Donovan, Chairman, Downtown Stakeholders Summit Committee to Peter Pelissier, Executive Director, Rahway Redevelopment Agency, regarding participation in the Downtown Stakeholder Summit.
31. Letter dated June 2, 2006 from Kenneth Schwartz to Mayor James Kennedy regarding Essex Street Riverfront Park improvements.
32. Letter from Peter DeMeo, P.E., Acting Section Chief, Bureau of Inland Regulation, to Mr. Craig Abraham, Naik-Prasad, Inc., regarding withdrawal of pending Stream Encroachment application for Raffio Giacobbe, Block 161, Lots 4 & 5.
33. Letter dated June 2, 2006 from Cheryl Hanenberg, Diversified Communities Construction Coordinator to Peter Pelissier, Executive Director regarding Redevelopment Projects Status Report.
- \*34. Letter dated June 5, 2006 from Dennis Miranda, Executive Director, Rahway River Association to Peter Pelissier, Executive Director, regarding a request to mount signage at



*the State to do the remediation. The remediation is scheduled to take no longer than 90 days; no longer than 60 days will be needed if the weather is good.*

*Dornoch I has filed for a footing and foundation permit for 36 units. The debris from the demolition of the buildings at this site will be removed shortly.*

*Block 318 will be going to the DCA shortly for approval documents for the construction of the Dornoch II project.*

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## **LEGAL REPORT**

*Mr. Michael Ash, Esq. stated that the Park Square site is fully assembled. 43 Elm Street will be before the Condemnation Commissioners next month; the property will be conveyed to Landmark early next week.*

*It was reported that Riverwalk sold three units since last month with the associated funds coming back to the Agency.*

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## **UNFINISHED BUSINESS**

*There was no unfinished business to discuss.*

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## **NEW BUSINESS**

### **Presentations:**

- 1. Presentation from Diversified Communities, redeveloper of Block 304, Lots 5 and 6 to give a presentation concerning the construction of the proposed Regency Park project.*

*Mr. Ken Schwartz and Mr. Richard Weissman, Esq. made the presentation on behalf of Diversified Communities. Mr. Schwartz stated that the Riverwalk project was given an award by the New Jersey Builders' Association for the "Best Project under \$500,000". The project has also received other awards.*

*The Regency Park project will consist of 40 units and will be priced in the low \$300,000 range. The units will be mostly two-bedroom; there will also be a small number of one-bedroom units. Mr. Schwartz described the proposal for the property and provided the Commissioners with facade drawings.*

*Commissioner Garay asked how the Route 1 realignment will affect the project. Mr. Schwartz provided the details.*

*Mr. Pelissier asked what the size of the units will be and the range of marketability. Mr. Schwartz answered that 34 of the units will be two-bedrooms with a den and eight will be one bedroom units. The units will range from 1200 to 1400 square feet in size.*

*There will be four different model types. The facade will be the same type as Riverwalk. There will be 33 parking spaces provided underneath the building and parking will also be provided in the front and back areas.*

*The Commissioners asked several questions as to what was on surrounding lots and how southbound ramp alignment for Route 1 will affect the project.*

*Mr. Schwartz indicated that Diversified also spoke with property owners on Lawrence Street with a possible proposal to incorporate five more properties into the Regency project.*

- 2. Presentation from Rahway Industrial Sites regarding the property at Block 282.*

*Christopher Armstrong, Esq. presented the Rahway Industrial Sites proposal. Mr. Armstrong asked for an explanation of the fees. Mr. Pelissier answered the question.*

*Mr. Armstrong explained the concept and what will be done to enhance the RIS property prior to submitting the proposal to the Planning Board. Mr. Armstrong stated that there is a brief narrative on page 3 of their submission that explains what will be done. The proposed uses will include a use change for retail use permission on site. There is a B-1 Business Zone directly across the street. RIS has a proposed tenant who wants to use 20,000 square feet for retail/wholesale uses. Mr. Roth was present.*

*Mr. Armstrong stated that all parties were in agreement that the site has outlived its usefulness. He further stated that the current proposal is probably the best he has heard for this site. Mr. Ziering, owner, joined Mr. Armstrong to certify to work completed to date.*

*The applicant described the work proposed to be done as shown in the addendum submitted this date. The site will be "better" and will "fit in". Mr. Armstrong stated that the property will house a first class operation which will draw people off of St. Georges Avenue toward Main Street, toward the new uses in the downtown.*

*A truck parking area, 150 X 150 feet will be proposed. The traffic flow problem on New Brunswick Avenue will be alleviated due to no parking zones being provided in the street. Three mailboxes now along the curb will be proposed to be in a "no parking zone" so that areas to stop at the curb will be provided.*

*Mr. Ziering explained that Andre Originals and a furniture store and the proposed tenant would like to be able to sell to the public from this site. As the leases come due, the block on New Brunswick Avenue will be refaced pursuant to the pictures in the original submission packet to the RRA. The objective will be to beautify the site and bring business into Rahway.*

*Commissioner Garay commented that this sounds like quite an improvement.*

*Mr. Pelissier said that if this is before the Planning Board and the Rahway Redevelopment Agency recommends the plan, the number of uses in the facility can be identified and the tenants suggested be the only ones to convert. The legal language in the Redeveloper Agreement can be worked out so that any changes can go back to the Planning Board; an overlay and Planning Board approval will be required.*

*Mr. Ziering said that he would like to complete the improvements as quickly as possible. He is having his engineer prepare a plan so that paving and planting can be done by September.*

*Mr. Pelissier noted that the Redevelopment Agency will approve the concept plan and will receive a list of all relief that is required and the City will check it and will provide the overlay that is necessary to grant relief.*

*Mr. Clarke asked whether there will be ample parking for retail space at this time. Relief might be necessary pursuant to the zoning ordinance.*

*Mr. Roth, a proposed tenant, explained that he has been in Linden for 23 years at the "Fabric Work House". The building is being torn down. Mr. Roth spoke with Mr. Ziering about doing his business in the RIS location. The business is clean and attracts a positive element. Mr. Roth stated that he has approximately 15 employees.*

*The Commissioners had no other questions.*

*Chairman Rack called for a five minute recess at 7:44 p.m.*

### *3. Presentation by Dornoch-Rahway III regarding the property at Block 167.*

*Joseph Raineri, Esq., from the Weiner Lesniak firm presented the Dornoch-Rahway III concept plan. Mr. John Clarke, Architect, and Glen Fishman, Principal in the company, were also present.*

*This project is centered on the Union County Arts Center. The relationship of the property to the Central Business District was shown to indicate that all facilities were within walking distance to one-another.*

*Mr. Clarke explained the project. 150 units will be proposed for the building at the right and 200 units will be proposed in back of the existing Elizabethtown Gas building, which is proposed to*

*remain. Parking will be provided underneath the buildings. Open loft type facilities can be developed inside the former laundry building. A greenway along the river can be developed.*

*Photographs of units and spaces developed in Trenton were presented as samples of what will be created at the Hamilton Laundry site.*

*The proposed layout of space in the existing building was described. The new space to be built for the Nai-Ni Chen Dance Company was described as 10,000 square feet, to be newly built to the right of the existing facility.*

*Besides the dance company, a black box theater will also be provided. The density is based on the amount of parking that can be provided. Andy Chiang was present to describe the dance company and its need for the facility at Hamilton Laundry. Nai-Ni is the only dance company in New Jersey invited to perform at the New York Center for the Performing Arts. Mr. Chaing went on to describe the locations throughout the world where this company has performed. Mr. Chaing and his colleagues have searched for a year for a location and through Mayor Kennedy's direction, chose the Hamilton Laundry site.*

*A brochure explaining the company was passed to the Commisioners. For 12 years, awards have been received from the Endowment Center for the Arts. Outreach will be provided at the site for training for the whole community, once built. An International Arts Exchange is envisioned at this location through the Dance Company.*

*Commissioner Garay asked which existing properties will be affected. Mr. Fishman explained his plans.*

*Mr. Fishman described the cost of renovations for the Hamilton Laundry building as \$200/square foot, or \$8-10 million overall. He described the corner as the anchor along with the Union County Arts Center across the street.*

## **Resolutions:**

**#31-06 RESOLUTION AUTHORIZING THE EXECUTION OF A REMEDIATION MANAGEMENT AGREEMENT WITH CARRIAGE CITY PROPERTIES, LLC FOR THE PROPERTY KNOWN AS BLOCK 316, LOT 3.02 LOCATED IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA**

WHEREAS, the Rahway Redevelopment Agency (the "Agency") acquired certain properties in the Central Business District Redevelopment Area (the "Redevelopment Area") now known as Block 316, Lot 3.02 (the "Property"); and

WHEREAS, the Property was acquired for the purposes of redevelopment of the Redevelopment Area; and

WHEREAS, the Agency entered into an Amended and Restated Redevelopment Agreement (the "Agreement") on September 30, 2005 with Carriage City Properties, LLC ("Carriage City") for the development of a hotel, residential and retail building on the Property by Carriage City; and

WHEREAS, the Agency conveyed the Property to Carriage City by Deed dated March 17, 2006; and

WHEREAS, the soils and groundwater on the Property are contaminated with hazardous substances above legally acceptable standards; and

WHEREAS, pursuant to the Agreement, the Agency is responsible for the remediation of the soils and groundwater on the Site; and

WHEREAS, the Agency, as partial consideration under the Agreement desires to hire Carriage City to perform, and Carriage City desires to perform, certain environmental remediation management services at the Site; and

WHEREAS, the Agency and Carriage City have negotiated a Remediation Management Agreement to establish the terms and scope of services of Carriage City at a cost not to exceed \$698,691.00; and

WHEREAS, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40:12A-1 et seq., the Agency is authorized to enter into an Agreement for services with Carriage City without public bidding; and

WHEREAS, on February 13, 2006, the City of Rahway adopted a Bond Ordinance (O-5-06) providing for the environmental remediation of the Property, appropriating \$750,000.00 and authorizing the issuance of \$750,000.00 bonds or notes of the City; and

WHEREAS, the Agency is the borrower of a loan made pursuant to a Brownfields Redevelopment Financial Assistance Agreement dated September 5, 2002 from the New Jersey Redevelopment Authority in the amount of \$750,000.00, which shall be disbursed upon request by the Agency for the environmental remediation of the Property.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby authorizes the execution of a "Remediation Management Agreement" with Carriage City Properties, LLC at a cost not to exceed \$698,691.00.

BE IT FURTHER RESOLVED, that the Chairman and the Secretary are hereby authorized to execute any and all documents to effectuate the remediation of the Property.

*Motion to approve: Commissioner Nash*  
*Ayes: Garay, Nash, Saliga, Clarke, and Rack*  
*Nays: None*  
*Abstain: Ferrell*  
*Absent: Deige*

*Seconded: Commissioner Garay*

### 32-06 RESOLUTION AUTHORIZING THE DESIGNATION OF REGENCY PARK COMMONS, LLC AS REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 304, LOTS 5 AND 6 IN THE ESSEX STREET REDEVELOPMENT AREA FOR THE DEVELOPMENT OF A RESIDENTIAL PROJECT

WHEREAS, the City of Rahway has been promoting the redevelopment of the Essex Street Redevelopment Area since the submission of a funding application to Green Acres in 1992 for the acquisition and improvement of the area for a river front park and since the adoption of the Essex Street Redevelopment Plan in September 1999 and amended May 2001; and

WHEREAS, the properties known as Block 304, Lots 5 and 6 are located in the Essex Street Redevelopment Area; 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; and

WHEREAS, Regency Park Commons, LLC currently owns the properties known as Block 304, Lots 5 and 6 in the Essex Street Redevelopment Area; and

WHEREAS, Regency Park Commons, LLC is proposing to build 40 condominium residential units above parking on the property; and

WHEREAS, the proposal has been reviewed and found consistent with the requirements of the Essex Street Redevelopment Plan and the City's goals for redeveloping said properties; and

WHEREAS, Diversified Communities, LLC is affiliated with Regency Park Commons, LLC and has successfully completed the redevelopment of other properties in the Essex Street Redevelopment Area including Block 304 Lots 1, 2, 3, 4, 7 & 8 and Block 331 Lots 18 through 26 and Lots 34 through 47, known as the Riverwalk Project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby designates Regency Park Common, LLC as redeveloper for the properties known as Block 304, Lots 5 and 6 located in the Essex Street Redevelopment Area for a period of ninety (90) days, during which time negotiations on a redevelopment agreement with the Rahway Redevelopment Agency for the project shall be completed.

BE IT FURTHER RESOLVED, that said designation may be extended upon satisfactory demonstration that substantive progress has occurred in the negotiation of a redevelopment agreement. Any extension of the designation shall require approval by the Board of Commissioners.

BE IT FURTHER RESOLVED, that upon completion of negotiations on a redevelopment agreement the Rahway Redevelopment Agency shall be required to review and authorize execution of any and all related disposition and acquisition documents in order to effectuate the completion and implementation of this project.

*Motion to approve: Commissioner Clarke                      Seconded: Commissioner Nash*  
*Ayes: Garay, Ferrell, Nash, Saliga, Clarke and Rack*  
*Nays: None*  
*Abstain: None*  
*Absent: Deige*

33-06 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 CONTRACT NEGOTIATIONS AND ON-GOING LITIGATION

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 on-going contract negotiations relative to the Lower Main Street Redevelopment Area and litigation with Rahway Industrial Sites; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that a portion of its regular meeting held on May 18, 2006, 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 on-going contract negotiations relative to the Lower Main Street Redevelopment Area and litigation with Rahway Industrial Sites; 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.

*Motion to approve: Commissioner Nash                      Seconded: Commissioner Clarke*  
*Ayes: Garay, Ferrell, Nash, Saliga, Clarke and Rack*  
*Nays: None*  
*Abstain: None*  
*Absent: Deige*

34-06 RESOLUTION AUTHORIZING THE DESIGNATION OF DIVERSIFIED COMMUNITIES, LLC AS REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 305, LOTS 5.02, 5.04, 6.02, 7.02 AND 8.03 IN THE LOWER MAIN STREET URBAN RENEWAL AREA FOR THE DEVELOPMENT OF A MIXED USE PROJECT

WHEREAS, the City of Rahway has been promoting the redevelopment of Main Street since the creation of the Lower Main Street Urban Renewal Area in 1960 and the adoption of the Lower Main Street Urban Renewal Plan on May 9, 1961, last amended on August 10, 1998; and

WHEREAS, the properties known as Block 305 Lots 5.02, 5.04, 6.02, 7.02, and 8.03 are located in the Lower Main Street Urban Renewal Area; 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; and

WHEREAS, Diversified Communities, LLC has a contract to acquire the property known as Block 305, Lot 5.02 and is in the process of acquiring Block 305, Lot 6.02; and

WHEREAS, Diversified Communities, LLC is proposing to build a mixed use project consisting of retail, condominium residential units and parking structures on the property; and

WHEREAS, the proposal has been reviewed and found consistent with the requirements of the Lower Main Street Urban Renewal Plan and the City's goals for redeveloping said properties; and

WHEREAS, Diversified Communities, LLC has successfully completed the redevelopment of properties in the Essex Street Redevelopment Area including Block 304 Lots 1, 2, 3, 4, 7 & 8 and Block 331 Lots 18 through 26 and Lots 34 through 47, known as the Riverwalk Project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby designates Diversified Communities, LLC as redeveloper for the properties known as Block 305 Lots 5.02, 5.04, 6.02, 7.02, and 8.03 located in the Lower Main Street Urban Renewal Area for a period of ninety (90) days, during which time negotiations on a redevelopment agreement with the Rahway Redevelopment Agency for the project shall be completed.

BE IT FURTHER RESOLVED, that said designation may be extended upon satisfactory demonstration that substantive progress has occurred in the negotiation of a redevelopment agreement. Any extension of the designation shall require approval by the Board of Commissioners.

BE IT FURTHER RESOLVED, that upon completion of negotiations on a redevelopment agreement the Rahway Redevelopment Agency shall be required to review and authorize execution of any and all related disposition and acquisition documents in order to effectuate the completion and implementation of this project.

*Motion to approve: Commissioner Nash*  
*Ayes: Garay, Nash, Saliga, Clarke, and Rack*  
*Nays: None*  
*Abstain: Ferrell*  
*Absent: Deige*

*Seconded: Commissioner Clarke*

### 35-06 RESOLUTION ESTABLISHING AN APPLICATION AND UPDATED SCHEDULE FOR PAYMENT OF FEES TO THE RAHWAY REDEVELOPMENT AGENCY BY PROSPECTIVE REDEVELOPERS AND DESIGNATED REDEVELOPERS FOR REDEVELOPMENT PROJECTS

WHEREAS, upon the creation of the Rahway Redevelopment Agency (the "Agency") by the City of Rahway (the "City") in January 2001, responsibility for managing the redevelopment of the City was granted to the Agency; and

WHEREAS, the Agency has paid for its administrative expenses through a variety of sources of funding, including, but not limited to public financing, administrative fees reimbursed by redevelopers, grants and contributions from the City; and

WHEREAS, in order to establish a uniform fee policy which will permit the Agency to generate fees to cover administrative costs prior to and after redeveloper designation and execution of redevelopment agreements for redevelopment projects, the Agency adopted Resolution 45-04 on June 15, 2004; and

WHEREAS, the Agency has determined that the fees and escrows deposited by redevelopers have been insufficient to reimburse the Agency for administrative costs; and

WHEREAS, the Agency is proposing the establishment of an application for prospective redevelopers and a fee schedule that will require the initial payment of fees and escrow amounts, as included on the attached "Fee and Escrow Schedule"; and

WHEREAS, the Agency has determined that the new fee and escrow amounts will be sufficient to reimburse the Agency for administrative costs incurred in the implementation of redevelopment projects in the City; and



NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby designates Rahway Industrial Sites, Inc. as redeveloper for the properties known as Block 282, Lot 1.01 located in the New Brunswick Avenue Redevelopment Area for a period of one hundred twenty (120) days, during which time negotiations on a redevelopment agreement with the Rahway Redevelopment Agency for the project shall be completed.

BE IT FURTHER RESOLVED, that said designation may be extended upon satisfactory demonstration that substantive progress has occurred in the negotiation of a redevelopment agreement. Any extension of the designation shall require approval by the Board of Commissioners and remain subject to the fees adopted in Resolution 35-06.

BE IT FURTHER RESOLVED, that upon completion of negotiations on a redevelopment agreement the Rahway Redevelopment Agency shall be required to review and authorize execution of any and all related disposition and acquisition documents in order to effectuate the completion and implementation of this project.

*Motion to approve: Commissioner Nash*  
*Ayes: Garay, Nash, Saliga, Clarke and Rack*  
*Nays: None*  
*Abstain: Ferrell*  
*Absent: Deige*

*Second: Commissioner Garay*

**Discussion:**

***PROPOSED BUDGET AND RESOLUTION TO INTRODUCE BUDGET***

*Mr. Pelissier announced two changes to the proposed budget: City contribution to Agency reduced from \$150,000 to \$75,000 and Redeveloper fees raised from \$125,000 to \$175,000. The total in this column therefore drops by \$25,000.*

*Motion to introduce budget: Commissioner Nash*  
*Ayes: Garay, Ferrell, Nash, Saliga, Clarke, and Rack*  
*Nays: None*  
*Abstain: None*  
*Absent: Deige*

*Seconded: Commissioner Clarke*

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**COMMISSIONERS' COMMENTS**

*Chairman Rack suggested that, due to the volume of correspondence listed on the agenda, in the future, the Chairman and Secretary review the correspondence to enter only selected items on the agenda. All other correspondence will be in the office of the Recording Secretary for any members to peruse if they wish.*

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*Motion to go into closed session pursuant to Resolution 33-06 at this time.*

*Mr. Pelissier discussed negotiations and plans for the Glen Fishman, Dornoch III project at the Hamilton Laundry site.*

*The proposed plans for the API Foils site on New Brunswick Avenue were discussed.*

*Negotiations and issues regarding the Silcon Hotel Site and the Landmark project, Block 157 were discussed.*

*Motion to go back on to public record and out of private session by Commissioner Nash*  
*Seconded: Commissioner Clarke*  
*Ayes: Garay, Ferrell, Nash, Saliga, Clarke and Rack*  
*Nays: None*  
*Abstain: None*  
*Absent: Deige*

**ADJOURNMENT**

*The meeting was adjourned at 9:10 p.m.*

*Motion to adjourn made by: Commissioner Nash  
Ayes: Garay, Ferrell, Nash, Saliga, Clarke and Rack  
Nays: None  
Abstain: None  
Absent: Deige*

*Seconded: Commissioner Saliga*