

# Rahway Redevelopment Agency

## - MINUTES -

Regular Meeting  
July 20, 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:*

Anthony Deige, Commissioner  
Carlos Garay, Commissioner  
Timothy Nash, Commissioner  
Nancy Saliga, Commissioner  
Courtney Clarke, Vice Chairman  
William Rack, Chairman

*The following official was absent:*

James Ferrell, Commissioner

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### APPROVAL OF MINUTES

*The minutes of the following meetings was moved by Commissioner Clarke, seconded by Commissioner Garay, and then adopted by the following vote:*

June 15, 2006 Regular Meeting  
*Ayes: Garay, Nash, Saliga, Clarke and Rack*  
*Nays: None*  
*Abstain: Deige*  
*Absent: Ferrell*

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### CORRESPONDENCE-*Those letters marked with an asterisk were discussed at this time.*

*The following correspondence was received:*

- \*1. 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 337 East Milton Avenue. Rescheduled for discussion because proposed sign does not conform to zoning regulations, per the Agency's directive at the June meeting.*

Discussion: Mr. Pelissier indicated that he spoke with Jeff Jotz of the Rahway River Association who stated that the Association would be willing to reduce the size of the signs. Discussion ensued and the Commissioners decided unanimously to allow the sign in the configuration that was originally presented to them at the June meeting.

- 2. Letter dated June 13, 2006 from Jamie A Camargo, NJDEP Hazardous Site Mitigation*



## EXECUTIVE DIRECTOR'S REPORT

Mr. Peter Pelissier, Executive Director reported that Landmark (Park Square), former home of Cliff Hardware, has started soil compaction in readiness for starting with construction of footings and foundations. The gas station and boarding house (still standing) are in the Phase II section of this project.

Silcon (hotel site) has submitted a remediation schedule which is in the Commissioners' packages tonight. \$700,000 +/- will be coming from the State to help with the remediation. Silcon is submitting construction plans in the next 3-4 weeks and remediation will be finished in September. The construction manager is at tonight's meeting to discuss relocation of Silcon's construction office.

Dornoch I still has an outstanding Waterfront Development Permit required. The request to expedite the issuance of this permit has been made.

Mr. Pelissier continued to say that he spoke with Casey Granieri today regarding Kelly's. He has secured an Elevation Certificate and it appears that the first floor in the proposed club has to be raised 7 inches to one foot. The redeveloper is of the opinion that he might be able to work around that. There might be permission to waive this requirement. If the floor is raised, there won't be enough ceiling height to put the hood over the stove.

There was an appraisal of the 3/4 acre piece behind City Hall (former "Little Duck Daycare" site) which the Agency owns. The appraised value is \$750,000.

Mr. Pelissier continued by saying that a meeting with Rahway Industrial Sites was scheduled for the day after the Agency's meeting. Since the Agency is discussing redevelopment plans with Rahway Industrial Sites, it was discussed how to allow a tenant from Linden, who is losing his building there, to move in to the Rahway site before all the procedural steps are complete.

With regard to the Hamilton Laundry site, Mr. Pelissier spoke with Andrew Chiang (Nai-Chen Dance Company) and Mr. Glen Fishman to discuss how they plan to build out the site for the dance company, which will be the first construction to take place.

It was mentioned that Silcon is doing a presentation this evening in order to put their construction office across the street from their project. Under existing zoning, this office would not be allowed at grade.

Another similar presentation will be made by Dornoch this evening to put their sales office at grade on Main Street.

The Redevelopment Agency owns property at the corner of Augusta Street and East Milton Avenue. There will eventually be a configuration change to this property, but, in the interim, Mr. Pelissier requested that the property be overseen by the Parking Authority and be allowed as permit parking only. Right now, the lot fills up and no one knows whose cars they are.

Mr. Pelissier suggested that the Agency direct an RFP be prepared for that property to solicit redevelopers at the time the subdivision is perfected, which hasn't occurred yet.

Commissioner Deige suggested that it be required that the parking be non-commercial. A discussion ensued. Mr. Pelissier said he will supply surveys at the next meeting. Commissioner Garay observed that the lots do not look attractive now. There was further discussion concerning Block 326.

A motion to accept the Executive Director's report was made by Commissioner Clarke. The motion was seconded by Commissioner Deige.

Ayes: Deige, Garay, Nash, Saliga, Clarke and Rack

Nays: None

Abstain: None

Absent: Ferrell

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## LEGAL REPORT

*The General Counsel had one item to report and it was that the Rahway Redevelopment Agency closed on 43 Elm Avenue last month and all property in Block 157 is now controlled by Landmark at Rahway.*

Motion to accept the legal report made by Commissioner Garay and seconded by Commissioner Nash.

Ayes: Deige, Garay, Nash, Saliga, Clarke and Rack

Nays: None

Abstain: None

Absent: Ferrell

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## UNFINISHED BUSINESS

*There was no unfinished business to discuss.*

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## NEW BUSINESS

### Presentations:

- 1. Presentation by Dornoch Rahway II, L.L.C. regarding the property at Block 318, Lots 1-11, 18 & 23.*

Mr. Louis Karp, Esq. made the presentation for Dornoch Rahway II. Two representatives from the Architect's office of Clarke, Caton and Hintz also participated in the presentation. The Dornoch plan is to build a seven (7) story building, housing 18,000 square feet of retail on the first floor and 23-one bedroom units and 129-two bedroom units on the upper floors. The plan is to put a brick face on the building and stucco on the sides. Access will be from Poplar Street on the one side and Cherry Street on the other. A walkway will be provided through to Main Street. Parking for commuters will be prohibited. Chairman Rack asked about access to the building itself. There was further discussion about the facade and its coloration. Commissioner Saliga asked how Skaff's Pharmacy fits into the scheme. The redeveloper stated that the application will "detail" the corner to make rounding the corner attractive.

- 2. Presentation by Dornoch Rahway II ½ regarding properties on East Cherry Street, specifically, Block 318, Lots 22, 21, and 20 and Block 317, Lot 15 and Block 320, Lot 10.*

Mr. Mike Nelson from Clarke, Caton and Hintz made the presentation. The architect presented his color rendering and discussed the setup of the proposed apartments. The thought will be to reflect the character of Cherry Street.

Mr. Pelissier stated that certain buildings of the group will not be accepted as designed. The "box" look will not be accepted. The whole of Block 317 could be improved also. Further discussion ensued but it was made clear that the facades that were presented this evening were not acceptable and that the "quaintness" of Cherry Street has to be maintained.

1465 Irving Street was requested for designation this evening. All units are for sale. Trusses, brickwork and ductwork will be open and visible. The range of price will be \$200,000 to \$300,000. The Commissioners discussed parking requirements. Mr. Pelissier again stated that the facades for Dornoch II ½ have to be completely revised.

### Resolutions:

37-06 - RESOLUTION TO ADOPT THE RAHWAY REDEVELOPMENT AGENCY BUDGET FOR 2006-2007

*Body of resolution within the budget package.*

*Motion to approve budget by Commissioner Nash*

*Second: Commissioner Deige*

*Ayes: Deige, Garay, Nash, Saliga, Clarke and Rack*

*Nays: None*

*Abstain: None*

*Absent: Ferrell*

38-06 - RESOLUTION AMENDING THE CONDITIONAL DESIGNATION OF

DORNOCH RAHWAY III AS REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 167, LOTS 37 THROUGH 45 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA FOR THE DEVELOPMENT OF A MIXED USE ARTS RELATED PROJECT TO INCLUDE AN ADDITIONAL PROPERTY KNOWN AS TAX BLOCK 167, LOT 1

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 prepared by Planners Diversified/Harvey Moskowitz in 1990 and in the Central Business District Redevelopment Plan adopted in April 1998 and as amended; and

WHEREAS, the property known as Block 167, Lot 1 is located in the Central Business District Redevelopment Area; and

WHEREAS, Block 167, Lot 1 is designated for acquisition in the Central Business District Redevelopment Plan; 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, the Rahway Redevelopment Agency has been evaluating the feasibility of redeveloping portions of Block 167, part of which is owned by the Rahway Redevelopment Agency (Lots 38, 39 and 45) consistent with the Central Business District Redevelopment Plan and the City's Master Plan; and

WHEREAS, Dornoch Rahway III, LLC was designated as redeveloper by the Rahway Redevelopment Agency for a period of ninety (90) days on December 15, 2005 and has made substantive progress in negotiating a redevelopment agreement with the Rahway Redevelopment Agency for the redevelopment of Block 167, Lots 37 through 45; and

WHEREAS, the designation of Dornoch Rahway III, LLC as redeveloper for the redevelopment of Block 167, Lots 37 through 45 has been extended and will currently expire in August 2006; and

WHEREAS, Dornach Rahway III, LLC has entered into negotiations with the owner of Block 167, Lot 1, Elizabethtown Gas, to purchase said property and include as part of the redevelopment of Block 167, Lots 37 through 45.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby amends the conditional designation of Dornoch Rahway III, LLC as redeveloper to include Block 167, Lot 1 as part of its designation for the properties known as Block 167, Lots 37 through 45 (Hamilton Street) located in the Central Business District Redevelopment Area.

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

*Second: Commissioner Nash*

39-06 - 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

*Resolution removed from agenda*

No.: 40-06 RESOLUTION AUTHORIZING THE DESIGNATION OF DORNOCH RAHWAY II½ AS CONDITIONAL REDEVELOPER FOR THE PROPERTY KNOWN

AS TAX BLOCK 317, LOT 15, BLOCK 318, LOTS 20, 21, 22 AND BLOCK 320, LOT 10 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA FOR THE DEVELOPMENT OF A MIXED USE RESIDENTIAL PROJECT

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 prepared by Planners Diversified/Harvey Moskowitz in 1990 and in the Central Business District Redevelopment Plan adopted in April 1998 and as amended; and

WHEREAS, the properties known as Block 317, Lot 15; Block 318, Lots 20, 21, and 22; and Block 320, Lot 10 are located in the Central Business District Redevelopment Area; and

WHEREAS, Block 317, Lot 15; Block 318, Lots 20, 21, and 22; and Block 320, Lot 10 are designated for acquisition in the Central Business District Redevelopment Plan; and

WHEREAS, Dornoch Rahway II½, LLC is the owner or contract purchaser of the properties known as Block 317, Lot 15; Block 318, Lots 20, 21, and 22; and Block 320, Lot 10; 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, the Rahway Redevelopment Agency has been evaluating the feasibility of redeveloping Block 317, Lot 15; Block 318, Lots 20, 21, and 22; and Block 320, Lot 10, consistent with the Central Business District Redevelopment Plan and the City's Master Plan; and

WHEREAS, Dornoch Rahway II½, LLC made a presentation to the Board of Commissioners of the Rahway Redevelopment Agency on July 20, 2006 in regards to its proposal for the redevelopment of Block 317, Lot 15; Block 318, Lots 20, 21, and 22; and Block 320, Lot 10; and

WHEREAS, the proposal has been reviewed and found consistent with the requirements of the Central Business District Redevelopment Plan, the City's goals for redeveloping said properties and is consistent with the City's goals for the central business district; and

WHEREAS, the proposal will be revised to include design elements required by the Board of Commissioners of the Rahway Redevelopment Agency; and

WHEREAS, Dornoch Rahway, LLC has recently entered into redevelopment agreements with the Rahway Redevelopment Agency on three other projects in the Central Business Redevelopment Area; and

WHEREAS, Dornoch Rahway II½, LLC shall comply with the application fee and escrow requirements pursuant to Resolution No. 35-06

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby conditionally designates Dornoch Rahway II½, LLC as redeveloper for the properties known as Block 317, Lot 15; Block 318, Lots 20, 21, and 22; and Block 320, Lot 10; located in the Central Business District 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.

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 made by Commissioner Nash  
Ayes: Deige, Garay, Nash, Saliga, Clarke and Rack*

*Second: Commissioner Clarke*

*Nays: None  
Abstain: None  
Absent: Ferrell*

No. 41-06 RESOLUTION TO RECOMMEND TO THE PLANNING BOARD AND CITY COUNCIL OF THE CITY OF RAHWAY TO AUTHORIZE THE USE OF THE PROPERTY KNOWN AS BLOCK 312, LOT 1 AS A CONSTRUCTION OFFICE BY SILCON, INC.

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

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

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

WHEREAS, in furtherance of remediation work and construction work commencing on the project site, Silcon, Inc. is desirous of using the property known as Block 312, Lot 1, which is owned by Silcon, Inc., as a construction office for the Hotel Project; and

WHEREAS, the Board of Commissioners of the Rahway Redevelopment Agency are amenable to assisting Silcon, Inc. secure a favorable location for a construction office.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby recommends to the Planning Board and City Council of the City of Rahway to authorize the use of the property known as Block 312, Lot 1 as a construction office for Silcon, Inc; and

BE IT FURTHER RESOLVED, that the use of the Property as a construction office be valid only until such time as a Certificate of Completion for the Carriage City Inn and Tower project is issued by the Rahway Redevelopment Agency.

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

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## **COMMISSIONERS' COMMENTS**

*Commissioner Deige expressed concern about the truck parking in the RRA lot located at the corner of Main Street and Elizabeth Avenue. It was said that the "box truck" would be removed in three days. This will be a staging area for the Park Square development by Landmark at Block 157 on the lower lot. The question was raised as to whether the upper lot could be for "Permit Parking Only". The commercial parking was deemed to be unacceptable.*

*Chairman Rack cancelled the August Rahway Redevelopment Agency meeting with the consent of the Commissioners.*

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## **ADJOURNMENT**

*There being no further business, the meeting was adjourned at 8:25 p.m.*

*Motion made by Commissioner Garay and seconded by Chairman Rack and approved by unanimous voice vote.*