

Rahway Redevelopment Agency

MINUTES Regular Meeting September 3, 2008 6:30 P.M.

CALL TO ORDER

The meeting shall be called to order at 6:30 P.M. in the Council Chambers

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:

*Carlos Garay, Commissioner
Timothy Nash, Commissioner
Courtney Clarke, Vice Chairman
William Rack, Chairman*

The following officials were absent:

Commissioners: James Ferrell, Anthony Deige, Nancy Saliga

APPROVAL OF MINUTES

A motion was made by Commissioner Clarke seconded by Commissioner Nash, to accept and approve the minutes listed below:

August 6, 2008 Regular Meeting

*Yes: Commissioners Clarke, Rack, Nash, Garay
Absent: Commissioners Ferrell, Deige, Saliga*

A motion was made by Commissioner Nash seconded by Commissioner Clarke, to accept and approve the minutes listed below:

August 13, 2008 Special Meeting

*Yes: Commissioners Clarke, Rack, Nash, Garay
Absent: Commissioners Ferrell, Deige, Saliga*

CORRESPONDENCE

- 1. Letter dated August 12, 2008 from Francis X. Regan Esq., General Counsel, to Philip J. Morin, Esq. regarding 970 New Brunswick Avenue.*
 - 2. Memo dated August 14, 2008 from Rahway Center Partnership, to Peter Pelissier, Executive Director, Downtown New Jersey Conference.*
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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 Nash, seconded by Commissioner Clarke, to accept and approve the Treasurer's Report.

Yes: Commissioners Clarke, Rack, Nash, Garay
Absent: Commissioners Ferrell, Deige, Saliga

EXECUTIVE DIRECTOR'S REPORT

None

LEGAL REPORT

General Counsel Frank Regan reported on several projects on behalf of the Executive Director, Peter Pelissier:

- Dornoch – A meeting is scheduled between Dornoch principals and the Executive Director of the RRA
- Triangle – Redeveloper completed an updated, improved façade for the Renaissance project
- Hamilton Laundry – Demolished
- .Wheatena – M & M is still negotiating with property owners

A motion was made by Commissioner Nash, seconded by Commissioner Clarke, to accept and approve the Legal Report.

Yes: Commissioners Clarke, Rack, Nash, Garay
Absent: Commissioners Ferrell, Deige, Saliga

UNFINISHED BUSINESS

NEW BUSINESS

Presentations:

- Heavenly Hair Styles

Lisa King presented an application to the RRA for a full-service hair salon at 1645 Irving Street.

Resolutions:

**29-08 RESOLUTION OF THE RAHWAY REDEVELOPMENT AGENCY
MEMORIALIZING ITS CONSENT TO THE SALE OF PROPERTIES KNOWN AS
BLOCK 326, LOTS 1.01 AND 2.01 ALSO KNOWN AS 156-170 EAST MILTON
AVENUE LOCATED IN THE CENTRAL BUSINESS DISTRICT
REDEVELOPMENT AREA BY JENNIFER WENSON MAIER AND ERIC MAIER**

WHEREAS, the Rahway Redevelopment Agency owned Block 326, Lot 2 and the Jennifer Wenson Maier and Eric A. Maier (the "Redeveloper") owned Block 326, Lots 1 & 3; and

WHEREAS, the Agency and Redeveloper entered into a Redevelopment/Property Exchange Agreement (the "Agreement"), dated April 10, 2003, which Agreement was amended pursuant to approval by the Board of Commissioners of the Rahway Redevelopment Agency on February 22, 2005; and

WHEREAS, the Agreement proposed the exchange of Block 326, Lots 2 & 3 for the purposes of the Redeveloper constructing a parking lot, which would service both the Redeveloper's private parking needs and public parking needs; and

WHEREAS, the Agency and Redeveloper received minor site plan and minor subdivision approval from the Rahway Planning Board on April 22, 2003, which minor site plan approval was amended by the Rahway Planning Board on December 21, 2004 and which minor subdivision approval was reaffirmed by the Rahway Planning Board on July 22, 2004 and February 22, 2005, which minor subdivision approval created two new tax lots known as Lots 1.01 and 2.01 in Block 326; and

WHEREAS, the Agency conveyed Lot 2.01, Block 326 (hereinafter the "Property") to the Redeveloper by Deed dated March 16, 2006 and recorded in the Union County Clerk's Office on December 5, 2006 in Deed Book 5621 at Page 111; and

WHEREAS, the above referenced Deed included the following "Restrictive Covenant" running with the land:

Pursuant to N.J.S.A. 40A:12A-9, this Deed contains a covenant running with the land that the owner shall construct only the uses established in the current redevelopment plan; and that the redeveloper shall be without power to sell, lease or otherwise transfer the property conveyed by this Deed, or any part thereof, without the written consent of the Rahway Redevelopment Agency; and that upon completion of the required improvements, the conditions determined to exist at the

time the area was determined to be in need of redevelopment shall be deemed to no longer exist, and the land and improvements thereon shall no longer be subject to eminent domain as a result of those determinations. The aforesaid covenants, provisions and controls shall be deemed satisfied upon termination of the Redevelopment Agreement between and among the Rahway Redevelopment Agency and Jennifer Wenson Maier and any other covenants entered into by the redeveloper to construct the improvements and to perform the redevelopment. The rights of any third party acquired prior to termination of the agreements, including, but not limited to, any tax exemption or abatement granted pursuant to law, shall not be negatively affected by termination and satisfaction of the covenants.

WHEREAS, the Redeveloper conveyed the Property to Maier, LLC by Deed dated November 20, 2006 and recorded in the Union County Clerk's Office on December 5, 2006 in Deed Book 5621 at Page 124; and

WHEREAS, Maier, LLC conveyed the Property to Main Street at Rahway, LLC on August 14, 2008; and

WHEREAS, pursuant to the Restrictive Covenant, the written consent of the RRA to the conveyance is required; and

WHEREAS, on August 6, 2008, by a voice vote of six (6) Commissioners of the Rahway Redevelopment Agency, the Agency consented to the conveyance of the Property from Maier, LLC to Main Street at Rahway, LLC and this resolution memorializes that action.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby consents to the conveyance of the Property from Eric A. Maier and Jennifer Wenson Maier to Maier, LLC.

BE IT FURTHER RESOLVED by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby consents to the conveyance of the Property from Maier, LLC to Main Street at Rahway, LLC.

BE IT FURTHER RESOLVED that the consent herein granted by the RRA shall not affect the terms, conditions and requirements of the Restrictive Covenant which shall continue to run with the Property and shall be binding upon Main Street at Rahway, LLC, its successors and/or assigns.

BE IT FURTHER RESOLVED, that the Chairman and the Secretary are hereby authorized to execute any and all documents, including consent in a form sufficient to permit the sale of the property, subject to final review by general counsel as to legal form and content.

BE IT FURTHER RESOLVED the consent document shall be recorded in the Union County Clerk's Office simultaneously and together with the deed from Maier, LLC to Main Street at Rahway, LLC.

BE IT FURTHER RESOLVED that this resolution memorializes that action taken by the Board of Commissioners of the Rahway Redevelopment Agency on August 6, 2008 authorizing the conveyance of the Property from Maier, LLC to Main Street at Rahway, LLC.

Certified to be a true copy of a Resolution adopted by the Board of Commissioners of the Rahway Redevelopment Agency, Rahway, New Jersey adopted at a regular meeting held on September 3, 2008.

A motion was made by Commissioner Clarke, seconded by Commissioner Nash, to accept and approve the Resolution 29-08.

*Yes: Commissioners Clarke, Rack, Nash, Garay
Absent: Commissioners Ferrell, Deige, Saliga*

30-08 RESOLUTION AUTHORIZING THE DESIGNATION OF DEBARTOLO DEVELOPMENT, LLC OR ITS ASSIGNS AS CONDITIONAL REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 305, LOTS 5.02 AND A PORTION OF LOT 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 (the "Redevelopment Plan"); and

WHEREAS, the properties known as Block 305 Lots 5.02 (owned by the Center Circle), 5.04 (vacant land owned by the Rahway Redevelopment Agency), and a portion of Lot 8.03 (part of the property owned by the Rahway River Condominium Association) (hereinafter referred to as the "Property") are located in the Lower Main Street Urban Renewal Area; and

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

WHEREAS, DeBartolo Development, LLC has a letter of intent to acquire the property known as Block 305, Lot 5.02 and previously forwarded a letter of intent to the Agency for the purchase of Block 305, Lot 5.04 and a portion of Block 305, Lot 8.03, which letter of intent is being revised to reflect certain changes in ownership of these properties; and

WHEREAS, DeBartolo Development, LLC is proposing to build a mixed use project consisting of commercial space (approximately 14,000 square feet), residential units (approximately 370 units) and a parking structure (approximately 520 spaces) 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.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby designates DeBartolo Development, LLC or its assigns as redeveloper for the properties known as Block 305 Lots 5.02, 5.04 and a portion of Lot 8.03 located in the Lower Main Street Urban Renewal Area subject to the following conditions:

1. That the period of the designation shall be for ninety (90) days from the date of adoption of this resolution.
2. That the Agency and DeBartolo Development, LLC enter into an escrow agreement and that DeBartolo Development, LLC pays any and all costs incurred by the Agency, including any fees required under the Agency's fee schedule.
3. That the City Council adopt an amendment to the redevelopment plan for the Lower Main Street Urban Renewal Area.
4. That the Agency and DeBartolo Development, LLC negotiate and agree upon the terms and conditions of a redevelopment agreement.
5. That Diversified Communities, LLC continues to pursue the acquisition of properties within the Lower Main Street Urban Renewal Area.

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.

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 September 3, 2008.

A motion was made by Commissioner Nash, seconded by Commissioner Clarke, to accept and approve the Resolution 30-08.

*Yes: Commissioners Clarke, Rack, Nash, Garay
Absent: Commissioners Ferrell, Deige, Saliga*

**31-08 RESOLUTION OF THE RAHWAY REDEVELOPMENT AGENCY
AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE
REDEVELOPMENT AGREEMENT BETWEEN THE AGENCY AND MONSENSO,
LLC AS CONDITIONAL REDEVELOPER FOR THE PROPERTY KNOWN AS
TAX BLOCK 282, LOT 1.021 IN THE NEW BRUNSWICK AVENUE
REDEVELOPMENT AREA TO REFLECT THE PROPER NAME OF THE
REDEVELOPER AS MONSENSO ASSOCIATES, L.L.C.**

WHEREAS, Block 282, Lot 1.021 (the "Property") is located in the New Brunswick Redevelopment Area (the "Redevelopment Area"); and

WHEREAS, the Property has been vacant or underutilized for many years; and

WHEREAS, on May 7, 2008, the Rahway Redevelopment Agency (the "Agency") adopted a resolution authorized the execution of a redevelopment agreement with Monseno, LLC for the construction of a new building on the Property consolidating the business operations of Quality Auto Body, a business owned by Monseno, LLC, which business is located across the street from the Redevelopment Area; and

WHEREAS, on June 17, 2008, the Agency and Monseno, LLC executed a redevelopment agreement (the "Redevelopment Agreement"); and

WHEREAS, counsel for Monseno, LLC recently contacted the Agency's general counsel to advise that the limited liability company created for the redevelopment was named Monseno Associates, L.L.C. rather than Monseno, LLC and requested an amendment to the Redevelopment Agreement reflecting proper name.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby authorizes the execution of an amendment to the Redevelopment Agreement to reflect the proper name of the redeveloper as Monseno Associates, L.L.C.

BE IT FURTHER RESOLVED, that the Chairman and the Secretary are hereby authorized to execute any and all documents, including an amendment to the Redevelopment Agreement to reflect the proper name of the redeveloper.

BE IT FURTHER RESOLVED, that the by execution of the amendment to the Redevelopment Agreement, Monseno Associates, L.L.C. is hereby acknowledged as the redeveloper for Block 282, Lot 1.021 located in the New Brunswick Redevelopment Area.

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 September 3, 2008.

A motion was made by Commissioner Nash, seconded by Commissioner Garay, to accept and approve the Resolution 31-08.

Yes: Commissioners Clarke, Rack, Nash, Garay

Absent: Commissioners Ferrell, Deige, Saliga

32-08 RESOLUTION ACKNOWLEDGING THE RAHWAY REDEVELOPMENT AGENCY SFY 2008/09 BUDGET ADOPTION SCHEDULE

WHEREAS, the SFY 2008/09 introduced budget for the Rahway Redevelopment Agency contains a substantial revenue entitled "Municipal Contribution", and was due on May 1, 2008, and

WHEREAS, the City of Rahway operates on a State Fiscal Year cycle, and compiles the SFY 2009 budget during the summer months of 2008, and

WHEREAS, the Agency relies on this revenue from the Municipality which is subject to available funding in the City's budget, the amount being unknown on May 1, 2008, causing the Rahway Redevelopment Agency's budget to be introduced on June 2, 2008.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Rahway Redevelopment Agency that the SFY 2008/09 budget was introduced on June 2, 2008, and tabled for adoption on July 2, 2008 pending State review, and finally adopted on September 3, 2008.

A motion was made by Commissioner Nash, seconded by Commissioner Clarke, to accept and approve the Resolution 32-08.

Yes: Commissioners Clarke, Rack, Nash, Garay

Absent: Commissioners Ferrell, Deige, Saliga

33-08 RESOLUTION TO ADOPT THE ANNUAL BUDGET AND CAPITAL BUDGET/PROGRAM FOR THE RAHWAY REDEVELOPMENT AGENCY FOR FISCAL YEAR 2008/2009

A motion was made by Commissioner Nash, seconded by Commissioner Clarke, to accept and approve the Resolution 33-08.

Yes: Commissioners Clarke, Rack, Nash, Garay

Absent: Commissioners Ferrell, Deige, Saliga

COMMISSIONER'S COMMENTS

Any Commissioner who wishes to provide comments shall do at this time

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:13 PM
