

Rahway Redevelopment Agency

MINUTES Regular Meeting November 5, 2007

CALL TO ORDER

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

OPEN PUBLIC MEETINGS ACT

Chairman Rack noted that 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 saluted to the flag

ROLL CALL

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

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

The following official was absent:

James Ferrell, Commissioner

APPROVAL OF MINUTES

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

October 3, 2007 Regular Meeting

Yes: Commissioners Clarke, Deige, Rack, Garay
Abstain: Commissioners Saliga
Absent: Commissioner Ferrell

CORRESPONDENCE

1. Letter dated October 11, 2007 from David Oster, NJDEP, Peter Pelissier, regarding Remedial Action Work Plan, Elizabeth Avenue Redevelopment Project – 1839 Elizabeth Avenue
 2. Letter dated October 15, 2007 from David Oster, NJDEP, Peter Pelissier, regarding Remedial Action Work Plan Approval, Elizabeth Avenue Redevelopment Project – 1839 Elizabeth Avenue – Gene's Auto Body
 3. Letter dated October 24, 2007 from Joe Riggs, Group President, K. Hovnanian Companies, to RRA Commissioners regarding an invitation to a workshop and reception on November 14, 2007
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STATUS REPORTS

COMMENTS FROM THE PUBLIC

None

TREASURER'S REPORT

A summary of the Treasurer's activity was distributed at the meeting.

A motion was made by Commissioner Deige and seconded by Commissioner Nash to accept and approve the Treasurer's report.

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

EXECUTIVE DIRECTOR'S REPORT

Peter Pelissier, Executive Director, reported:

- An \$800,000.00 bond ordinance was introduced to the City Council for the Hamilton Laundry Project and the plans to demolish the laundry building and construct an outdoor amphitheater.
- An informal survey was given to the merchants in the central business district regarding the newly proposed two-way traffic circulation. The majority of businesses were in favor of two-way traffic (24) and eleven (11) businesses were either unaware of the proposal or against it. Executive Director Pelissier suggested that a presentation should be made, to the affected businesses, at a future RRA meeting.
- A meeting is schedule with Diversified Communities, DeBartolo Development, the Mayor and the Executive Director regarding the Town Center Project. SDI is negotiating with Diversified Communities for an acceptable concept plan.
- Acquisition letters were sent to three property owners in the Monroe Street/Triangle Redevelopment Area. Executive Director Pelissier stated that Renaissance at Rahway should a establish an escrow account for the acquisition of these properties to expedite the process.
- The new sewer and water connection fees will provide additional revenue to the city and the redevelopment projects will be charged the new fees.
- Foundation permit applications were secured by Dornoch I and the property was prepared for construction to begin.
- KC Jazz acquired their liquor license.

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

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

LEGAL REPORT

General Counsel Frank Regan reported that a Resolution was being introduced to authorize the RRA to begin negotiating the acquisition of three properties on behalf of Renaissance at Rahway.

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

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

UNFINISHED BUSINESS

None

NEW BUSINESS

Resolutions:

A motion was made by Commissioner Nash and seconded by Commissioner Clarke to amend Resolution 45-07 to add Block 379/Lot 5 in the properties listed in the resolution.

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

45-07 RESOLUTION AUTHORIZING THE ACQUISITION OF PROPERTY KNOWN AS BLOCK 379, LOTS 1 AND 8, LOCATED WITHIN THE TRIANGLE (AKA RENAISSANCE AT RAHWAY) REDEVELOPMENT AREA BY NEGOTIATION AND/OR CONDEMNATION IN ACCORDANCE WITH THE LOCAL REDEVELOPMENT AND HOUSING LAW (N.J.S.A. 40A:12A ET SEQ.)

WHEREAS, pursuant to N.J.S.A. 40A:12A-8, the Rahway Redevelopment Agency (the "Agency") is authorized to acquire property located within a designated redevelopment area by negotiation or condemnation; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-5, the Triangle (aka Renaissance at Rahway) Redevelopment Area (the "Redevelopment Area") was determined to be an area in need of redevelopment by the Municipal Council of the City of Rahway; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, the Triangle (aka Renaissance at Rahway) Redevelopment Plan (the "Redevelopment Plan") has been adopted by the Municipal Council of the City of Rahway and subsequently amended; and

WHEREAS, the Redevelopment Plan identifies certain properties to be acquired and redeveloped, including Block 379, Lots 1 and 8 (the "Properties"); and

WHEREAS, Agency entered into a redevelopment agreement with Renaissance at Rahway, LLC (the "Redeveloper"), dated October 21, 2005 (the "Agreement") for the redevelopment of the Redevelopment Area; and

WHEREAS, pursuant to the Agreement, the Redeveloper has been unsuccessful in reaching agreement with the owner of the Properties and therefore has issued an Acquisition Notification to the Agency requesting that the Agency commence acquisition of the Properties; and

WHEREAS, in accordance with the Agreement, the Redeveloper shall pay for all costs associated with the Agency's acquisition of the Properties; and

WHEREAS, the Board of Commissioners of the Agency has determined that it would serve the purposes of the Agency and the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.) for it to acquire the Properties (Block 379, Lots 1 and 8) for redevelopment in accordance with the Redevelopment Plan and Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby authorizes the acquisition by negotiation and/or condemnation of the Properties for redevelopment in accordance with the Redevelopment Plan and Agreement.

BE IT FURTHER RESOLVED that the Chairman and Secretary are hereby authorized to execute any and all related documents, subject to the review of counsel, to effectuate the acquisition of the Properties.

Certified to be 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 November 5, 2007.

A motion was made by Commissioner Nash and seconded by Commissioner Deige to approve Resolution 45-07.

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

No.: 46-07 RESOLUTION AUTHORIZING THE EXECUTION OF A SUBORDINATION AGREEMENT REGARDING THE REFINANCING BY T&S DEVELOPERS, INC. FOR PROPERTY KNOWN AS TAX BLOCK 319, LOT 1.01 LOCATED IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA

WHEREAS, Rahway Redevelopment Agency (the "Agency") and T&S Developers, Inc. (the "Redeveloper") entered into a September 19, 2001 Redevelopment Agreement ("Agreement") pursuant to which Agency agreed to sell to Redeveloper, and Redeveloper agreed to purchase from Agency and redevelop, the real property now known as Lot 1.01 in Block 319 as shown on the Tax Maps of the City of Rahway, Union County, New Jersey (the "Property") in accordance with the terms and conditions of the Agreement; and

WHEREAS, on March 20, 2003, the Agency and the Redeveloper entered into an Amendment to the Agreement, which also included the parties entering into an Environmental Indemnity Agreement, also dated March 20, 2003 relating to the environmental condition of the Property; and

WHEREAS, on February 7, 2007, the Agency approved and authorized the execution of a Second Amendment to the Redevelopment Agreement with the Redeveloper regarding the Property; and

WHEREAS, the Agency has previously authorized the execution of a subordination agreement with a financial institution relating to the Redeveloper's initial financing for the Property; and

WHEREAS, the Redeveloper is refinancing the Property and has requested that the Agency authorize the execution of a subordination agreement with a financial institution relating to such refinancing.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency that it hereby authorizes the execution of a subordination agreement with a financial institution relating to the refinancing of the Property by T&S Developers, Inc., the contract redeveloper.

BE IT FURTHER RESOLVED, that the Chairman and the Secretary are hereby authorized to execute any and all documents, including the subordination agreement attached hereto in substantially similar form, to effectuate this Resolution, subject to final review by general counsel as to legal form and content.

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 November 5, 2007.

A motion was made by Commissioner Deige and seconded by Commissioner Nash to approve Resolution 46-07.

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

No.: 47-07 RESOLUTION REGARDING THE APPLICATION OF HAL HOROWITZ FOR THE PROPERTY KNOWN AS 1483 MAIN STREET, ALSO KNOWN AS TAX BLOCK 320, LOT 14 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA

WHEREAS, the property known as 1483 Main Street, Rahway, also known as Block 320, Lot 14, is located in the Central Business District Redevelopment Area (the "Property"); and

WHEREAS, Block 320, Lot 14 is included 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, including the review of projects that may be inconsistent with the redevelopment plan for the relevant redevelopment area; and

WHEREAS, the Rahway Redevelopment Agency has the authority, pursuant to N.J.S.A. 40A:12A-1 et seq., to make recommendations to the governing body for the redevelopment of property in redevelopment areas, including amendments to redevelopment plans; and

WHEREAS, Hal Horowitz is the current owner of the Property; and

WHEREAS, Hal Horowitz has made an application to the Rahway Redevelopment Agency to subdivide and make improvements to the ground floor space in the existing building located on the Property to create two separate storefronts, where there is currently only one storefront, which proposed subdivision and improvements would require an amendment to the Central Business District Redevelopment Plan; and

WHEREAS, Hal Horowitz made a presentation to the Board of Commissioners of the Rahway Redevelopment Agency on October 3, 2007 in regards to its application for the Property; and

WHEREAS, pursuant to Resolution 35-06 adopted on June 15, 2006, Hal Horowitz has paid fees in accordance with the fee schedule; and

WHEREAS, based on the application and presentation before the Board of Commissioners, the Board finds that the proposed development is consistent with the goals of the Central Business District Redevelopment Plan.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency based on the application and presentation of Hal Horowitz for the Property known as Block 320, Lot 14 located in the Central Business District Redevelopment Area, that it recommends to the Rahway City Council and Rahway Planning Board that an amendment to the Central Business District Redevelopment Plan be considered for to permit the proposed subdivision, improvements and use.

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 November 5, 2007

A motion was made by Commissioner Nash and seconded by Commissioner Deige to approve Resolution 47-07.

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

No.: 48-08 RESOLUTION REGARDING THE APPLICATION OF DANIEL MURRAY FOR THE PROPERTY KNOWN AS 209 WEST MAIN STREET, ALSO KNOWN AS TAX BLOCK 161, LOT 16 IN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT AREA

WHEREAS, the property known as 209 West Main Street, Rahway, also known as Block 161, Lot 16, is located in the Central Business District Redevelopment Area (the "Property"); and

WHEREAS, Block 161, Lot 16 is included 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, including the review of projects that may be inconsistent with the redevelopment plan for the relevant redevelopment area; and

WHEREAS, the Rahway Redevelopment Agency has the authority, pursuant to N.J.S.A. 40A:12A-1 et seq., to make recommendations to the governing body for the redevelopment of property in redevelopment areas, including amendments to redevelopment plans; and

WHEREAS, Daniel Murray is the tenant of the Property; and

WHEREAS, Daniel Murray has made an application to the Rahway Redevelopment Agency to operate a tattoo studio on the ground floor space in the existing building located on the which use is not permitted and would require an amendment to the Central Business District Redevelopment Plan; and

WHEREAS, the Property owner has consented to the submission of the application for the Property; and

WHEREAS, Daniel Murray made a presentation to the Board of Commissioners of the Rahway Redevelopment Agency on October 3, 2007 in regards to its application for the Property; and

WHEREAS, pursuant to Resolution 35-06 adopted on June 15, 2006, Daniel Murray has paid fees in accordance with the fee schedule; and

WHEREAS, based on the application and presentation before the Board of Commissioners, the Board finds that the proposed development and use is consistent with the goals of the Central Business District Redevelopment Plan.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Rahway Redevelopment Agency based on the application and presentation of Daniel Murray for the Property known as Block 161, Lot 16 located in the Central Business District Redevelopment Area, that it recommends to the Rahway City Council and Rahway Planning Board that an amendment to the Central Business District Redevelopment Plan be considered to permit the proposed use.

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 November 5, 2007

A motion was made by Commissioner Deige and seconded by Commissioner Clarke to approve Resolution 48-07 to add Block 379/Lot 5 in the properties listed in the resolution.

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

Absent: Commissioner Ferrell

COMMISSIONER'S COMMENTS

ADJOURNMENT

There being no further business, the meeting was adjourned at 6:50 PM

Respectfully submitted,

Cynthia Solomon
Assistant Secretary