

**CASINO REINVESTMENT DEVELOPMENT AUTHORITY
1014 Atlantic Avenue
Atlantic City, New Jersey 08401**

MINUTES – PUBLIC MEETING 08-02

March 18, 2008

PRESIDING: Ali Reynolds, Vice Chair

PRESENT: Nicholas Amato, Robert Boyce, Peter Cammarano, Patricia Campos, Dan Dalton, Steve Petrecca for State Treasurer David Rousseau, Michael DeCotiis, Joseph Doria, Edward Gant, Irene Hill-Smith, Linda Kassekert, James Kehoe, Diane Lusk, Mayor Scott Evans, Dave Rebeck for State Attorney General Anne Milgram, Michael Walsh

STAFF: Thomas D. Carver, Esq., Susan Ney Thompson, Nancy Wattson, Paul G. Weiss, Esq., Thomas Meehan, Karlis Povisils, Jeremy Sunkett, Edward Einhaus, Robert Corrales, Sharon Dickerson, Esq., Lisa Risteski, Brooke Vetter

OTHER

ATTENDEES: Robert Shane, Governor's Authorities Unit

OPENING STATEMENT

The meeting was called to order by the Vice Chair at 1:03 p.m. Ms. Risteski read a statement of compliance with the notice requirements of the Open Public Meetings Act and called the roll.

1. RATIFICATION OF THE MINUTES

The Vice Chair requested a motion to approve the minutes of the February 19, 2008 Members' Meeting. A motion to ratify the minutes was made by Mr. Gant and seconded by Mr. Kehoe. Resolution No. 08-19 was approved by a vote of 17-0.

2. TREASURER'S REPORT

The Vice Chair asked the Members to review the Treasurer's report. A motion to approve and file the report was made by Mr. Gant and seconded by Mr. Cammarano. By a vote of 17-0, the report was received.

ATLANTIC CITY PROJECT REVIEW

The Vice Chair advised that the items on today's agenda were reviewed earlier in the day by Committee and recommended for approval by the Members.

1. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY REAUTHORIZING A \$19,950,236 FUND RESERVATION FOR THE PINNACLE CASINO HOTEL EXPANSION PROJECT

The resolution was read by title. Ms. Nancy Wattson, Chief Financial Officer, provided a description of the proposed action. The Vice Chair elicited discussion from the Members.

Mr. Cammarano inquired the amount of extensions granted to this project. Ms. Wattson responded that the fund reservation has been extended over the past 11 years. Mr. Cammarano expressed frustration that the fund reservation continues to be extended without the project moving forward. Executive Director, Thomas Carver added that the current status of credit markets has had an impact on the ability of projects to move forward.

The Vice Chair then opened the matter to the public for comment. Upon hearing no public comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Mr. Cammarano and seconded by Ms. Lusk. Mr. Amato and Mr. Walsh recused themselves from the matter and did not vote. Mr. Cammarano voted against approval of the resolution. Resolution No. 08-20 was approved by a vote of 14-1.

2. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY REAUTHORIZING A \$10,773,127 FUND RESERVATION FOR THE CAESARS HOTEL EXPANSION PROJECT

The resolution was read by title. Ms. Nancy Wattson, Chief Financial Officer, provided a description of the proposed action. The Vice Chair elicited discussion from the Members. The Vice Chair opened the matter to the public for comment. Upon hearing no public

comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Dr. Hill-Smith and seconded by Ms. Lusk. Mr. Amato and Mr. Walsh recused themselves from the matter and did not vote. Mr. Cammarano and Mr. Gant voted against approval of the resolution. Resolution No. 08-21 was approved by a vote of 13-2.

3. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AUTHORIZING THE NEGOTIATION AND EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH HEALTH & SAFETY SERVICE, INC TO PROVIDE ASBESTOS REMOVAL CONSULTING SERVICES ON AN AS-NEEDED BASIS THROUGH DECEMBER 31, 2009, WITH AN AUTHORIZED SPENDING LIMIT OF \$200,000

The resolution was read by title. Mr. Edward Einhaus, Director of Real Estate, provided a description of the proposed action. The Vice Chair elicited discussion from the Members and then opened the matter to the public for comment.

Upon hearing no public comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Mr. Gant and seconded by Mr. Lusk. Resolution No. 08-22 was approved by a vote of 17-0.

4. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AUTHORIZING THE NEGOTIATION AND EXECUTION OF PROFESSIONAL SERVICES AGREEMENTS WITH YEZZI ASSOCIATES, LS ENGINEERING ASSOCIATES, CORP AND S.J. FENWICK ASSOCIATES FOR ARCHITECTURAL AND STRUCTURAL ENGINEERING SERVICES ON AN AS-NEEDED BASIS FOR A PERIOD ENDING ON DECEMBER 31, 2009, WITH A SPENDING AUTHORIZATION OF \$200,000

The resolution was read by title. Mr. Edward Einhaus, Director of Real Estate, provided a description of the proposed action. The Vice Chair elicited discussion from the Members and then opened the matter to the public for comment. Upon hearing no public comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Dr. Hill-Smith and seconded by Mr. Cammarano. Resolution No. 08-23 was approved by a vote of 17-0.

5. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AUTHORIZING THE NEGOTIATION AND EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH CRAIG F. DOTHE ARCHITECTS, LLC TO PROVIDE ARCHITECTURAL SERVICES FOR THE 1300 BLOCK BETWEEN OCEAN AND SOUTH CAROLINA AVENUES OF THE ATLANTIC CITY BOARDWALK UNDER THE BOARDWALK REVITALIZATION PROJECT

The resolution was read by title. Mr. Thomas Meehan, Director of Development, provided a description of the proposed action. The Vice Chair elicited discussion from the Members and then opened the matter to the public for comment. Ms. Alice Gordon of

Atlantic City appealed to the Board to address blighted areas of the city. Upon hearing no further public comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Mr. Gant and seconded by Ms. Lusk. Resolution No. 08-24 was approved by a vote of 17-0.

NORTH JERSEY PROJECT REVIEW

Mr. Michael DeCotiis announced that he would recuse himself from the items listed on the North Jersey agenda and exited the meeting.

1. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY REAUTHORIZING A \$20 MILLION FUND RESERVATION FOR THE HAHNES-GRIFFITH RENTAL HOUSING PROJECT

The resolution was read by title. Mr. Karlis Povisils, Director of Project Management, provided a description of the proposed action. Mr. Povisils then introduced Mr. Joseph Ricci, Chief Operating Officer of the Newark Development Corporation and Mr. Arthur Stern, CEO of Cogswell Realty who provided further information. The Vice Chair elicited discussion from the Members. Mr. Joseph Doria inquired the percentage of affordable units within the project, and advised that after June 2, 2008, new COAH regulations would require all State-funded projects to have a 20% affordable housing unit quotient. The Vice Chair then opened the matter to the public for comment.

Upon hearing no public comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Ms. Lusk and seconded by Mr. Boyce. Mr. DeCotiis and Mr. Walsh recused themselves from the matter and did not vote. Resolution No. 08-25 was approved by a vote of 15-0.

2. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY (I) GRANTING PROJECT APPROVAL AND ESTABLISHING A FUND RESERVATION IN THE AMOUNT OF \$1,500,000.00 FOR THE SETON HALL LAW SCHOOL STUDENT HOUSING PROJECT, AND (II) AUTHORIZING THE NEGOTIATION AND EXECUTION OF A GRANT AGREEMENT WITH SETON HALL LAW SCHOOL ALL IN FURTHERANCE OF THE PROJECT

The resolution was read by title. Mr. Karlis Povisils, Director of Project Management, provided a description of the proposed action. Mr. Povisils then introduced Eric Lillquist, Associate Dean, Finance and Administration and Vicki Fleischer, Assistant Dean, Alumni & Development from Seton Hall University to provide further detail regarding the project. The Vice Chair elicited discussion from the Members. Mr. Joseph Doria inquired the average rent for each unit, to which Mr. Lillquist responded that the average rent is projected to be \$1,450/month. The Members discussed the impact of this type of project as a catalyst for the development of urban areas. Mr. Nicholas Amato stated that although the project may have been funded through other more appropriate sources, the CRDA should honor its original commitment, and proceed to approval.

The Vice Chair then opened the matter to the public for comment. Ms. Alice Gordon suggested that the Members consider funding a low interest loan instead of a grant for the project. Upon hearing no further comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Mr. Doria and seconded by Mr. Cammarano. Mr. DeCotiis recused himself from the matter and did not vote. Mr. Gant also abstained from the vote. Resolution No. 08-26 was approved by a vote of 15-0.

3. RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY GRANTING PRELIMINARY DETERMINATION OF PROJECT ELIGIBILITY FOR THE NEWARK URBAN ENVIRONMENTAL AND ECOLOGICAL CENTER PROJECT

The resolution was read by title. Mr. Karlis Povisils, Director of Project Management, provided a description of the proposed action. Mr. Povisils then introduced Hans Smolsen, Co-chair, Board of Directors and Robin Doherty, Executive Director of the Greater Newark Conservancy, who provided further information regarding the project. The Vice Chair elicited discussion from the Members and then opened the matter to the public for comment. Upon hearing no public comment, the Vice Chair requested a motion to adopt the resolution. A motion was made by Dr. Hill-Smith and seconded by Mr. Doria. Mr. DeCotiis recused himself from the matter and did not vote. Resolution No. 08-27 was approved by a vote of 16-0.

PUBLIC COMMENT

The Vice Chair opened the Meeting to public comment. Mr. Michael DeCotiis spoke briefly regarding recent press coverage of the agency's involvement with the Bader Field Project and inquired the current status of negotiations regarding the project. Mayor Scott Evans stated that the Members should not believe everything written in the Press. He added that the City and the CRDA continue to meet to discuss a possible working relationship. Mr. Thomas Carver, Executive Director also added that he has been displeased with the inaccurate press reporting of CRDA's involvement with Bader Field. Mr. Doria stated that the primary goal of the State is that the residents of Atlantic City get the best possible benefit and that the city receives the benefit of further economic growth.

Hearing no further public comment, the Vice Chair requested a motion to adjourn. Mr. Cammarano motioned to adjourn, seconded by Mr. Kehoe. With a vote of 17-0, the meeting was adjourned at 2:30 p.m.

CERTIFICATION

I, ALI REYNOLDS, Secretary of the Casino Reinvestment Development Authority, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Minutes of the Open Session of the Casino Reinvestment Development Authority conducted on March 18, 2008.

Ali Reynolds, Secretary