

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

MINUTES – PUBLIC MEETING 11-2

February 15, 2011

PRESIDING: Chairman James Kehoe

PRESENT: Pete Cammarano, Michellene Davis (via teleconference), Josh Lichtblau for State Attorney Paula T. Dow, Richard Dressel, Edward Gant, Howard Kyle, Paul Stridick for DCA Commissioner Lori Grifa (via teleconference), Linda Kassekert, Mayor Lorenzo Langford, Don Marrandino, Ali Reynolds, Steve Petrecca for State Treasurer Andrew Sidamon-Eristoff, Frank Spencer (via teleconference)

ABSENT: Robert Garrison, Diane Lusk and Nicholas Ribis

STAFF: Thomas D. Carver, Susan Ney Thompson, Val Berzins, Paul G. Weiss, Esq., Thomas Meehan, Jeremy Sunkett, Sharon Dickerson, Esq., Lisa Britt Risteski, Stephanie Galantino

OTHER

ATTENDEES: Brandon Minde, Esq., Governor's Authorities Unit

OPENING STATEMENT

The meeting was called to order by the Chair at 12:05 p.m. Ms. Risteski read a statement of compliance with the notice requirements of the Senator Byron M. Baer Open Public Meetings Act and called the roll.

RATIFICATION OF THE MINUTES

The Chair requested a motion to approve the minutes of the January 18, 2011 Members' Meeting. A motion to ratify the minutes was made by Mr. Kyle and seconded by Mr. Marrandino. The minutes of the January 18, 2011 meeting were approved and adopted by the unanimous vote of the members.

TREASURER'S REPORT

The Chair asked the members to review the Treasurer's report. A motion to approve and file the report was made by Mr. Cammarano and seconded by Mr. Petrecca. The Treasurer's report was approved and adopted by the unanimous vote of the members.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Thomas Carver indicated that he would make a statement for the record at the end of the meeting.

COMMITTEE CHAIR REPORT(S)

Atlantic City Project Review Committee: Ali Reynolds, Chair, reported that the Committee voted to recommend to the full membership: The South Inlet Transportation Improvement Project for authorization to execute an Estoppel Letter and a Release to Morgan Stanley.

Administration and Personnel Committee: James Kehoe, Chair, reported that the Committee voted to recommend to the full membership: The CRDA Rules for authorization to publish new rules, and approval of an interim Executive Director.

Audit Committee: James Kehoe, Chair, reported that the Committee voted to recommend to the full membership: Acceptance of the 2010 audited financial statement.

Michellene Davis joined the meeting via teleconference at 12:40 p.m.

ATLANTIC CITY PROJECT REVIEW COMMITTEE

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY AUTHORIZING AMENDMENTS TO THE MASTER DEVELOPMENT AGREEMENT FOR THE WALK PROJECT PHASE TWO AND THE LOAN AGREEMENT FOR THE SECOND STAGE OF THE WALK PROJECT PHASE TWO ALL IN FURTHERANCE OF THE WALK PROJECT

The resolution was read by title. Mr. Thomas Carver, Executive Director provided a description of the proposed action. The Chair elicited discussion from the members, and then opened the matter to the public for comment. Upon hearing no public comment the Chair requested a motion to adopt the resolution. A motion was made by Mr. Kyle and seconded by Mr. Cammarano. Resolution 11-05 was approved by a vote of 13-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN AN AMOUNT NOT TO EXCEED \$745,000 FROM HOTEL ROOM FEE EXCESS REVENUES AND THE EXECUTION OF AN AGREEMENT WITH THE CITY OF ATLANTIC CITY IN AN AMOUNT NOT TO EXCEED \$725,000 FOR THE ATLANTIC CITY ELECTRIC COMPANY TARIFF RELATED TO THE INSTALLATION AND MAINTENANCE OF STREET LIGHTS IN FURTHERANCE OF THE NON-CASINO OPEN SPACE PROGRAM OF THE BOARDWALK REVITALIZATION PROJECT AND THE TRANSPORTATION MASTER PLAN PROJECT

The resolution was read by title. Mayor Langford recused himself from the proposed matter. Mr. Thomas Meehan, Director of Development provided a description of the proposed action. The Chair elicited discussion from the members. Mr. Cammarano stated his support for the project and acknowledged the public safety aspects of the proposed action.

The Chair opened the matter to the public for comment. Mr. William Cheatham of Atlantic City stated that the entire Boardwalk, as the one attraction that makes Atlantic City unique, should be properly lit and maintained under the Boardwalk Revitalization Project. Mr. Pinky Kravitz of Ventnor expressed his support for the action. Hearing no further public comment, the Chair requested a motion to adopt the resolution. A motion was made by Mr. Cammarano and seconded by Mr. Dressel. Resolution 11-06 was approved by a vote of 12-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN THE AMOUNT OF \$100,000 FROM THE MLK BOULEVARD WIDENING PROJECT FUND AND AN

INCREASE IN THE TOTAL AUTHORIZED SPENDING LIMIT UNDER THE GENERAL CONSTRUCTION CONTRACT FOR THE MLK BOULEVARD WIDENING PROJECT

The resolution was read by title. Mr. Meehan provided a description of the proposed action. The Chair elicited discussion from the members, and then opened the matter to the public for comment. Mr. William Cheatham of Atlantic City inquired whether the widening project would include the block between Pacific and the Boardwalk. Mr. Thomas Carver responded that the block is not part of the current project, but may be improved in the future as part of a possible development of the former Sands location. Councilman Mr. Stephen Moore stated his request for more communication between the Authority and the public.

Hearing no further public comment, the Chair requested a motion to adopt the resolution. A motion was made by Mayor Langford and seconded by Mr. Kyle. Resolution 11-07 was approved by a vote of 14-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING THE EXECUTION AND DELIVERY OF AN ESTOPPEL CERTIFICATE AND A RELEASE IN FURTHERANCE OF THE SOUTH INLET TRANSPORTATION IMPROVEMENT PROJECT

The resolution was read by title. Mr. Lichtblau recused himself from the proposed action. Mr. Paul G. Weiss, Chief Legal Counsel, provided a description of the proposed action. The Chair elicited discussion from the members, and then opened the matter to the public for comment. Mr. William Cheatham of Atlantic City said he did not understand the need for the release of Morgan Stanley. Chairman Kehoe responded that the release was a closing requirement for the Revel financing.

Hearing no further public comment, the Chair requested a motion to adopt the resolution. A motion was made by Mr. Gant and seconded by Mr. Kyle. Resolution 11-08 was approved by a vote of 13-0.

RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY APPROVING A SUPPLEMENTAL FUND RESERVATION IN THE AMOUNT OF \$384,285 FOR THE AVIATION RESEARCH & TECHNOLOGY PARK PROJECT

The resolution was read by title. Mr. Kyle recused himself from the proposed action. Ms. Susan Thompson, Chief Operating Officer, provided a description of the proposed action. The Chair elicited discussion from the members, and then opened the matter to the public for comment. Mr. William Cheatham of Atlantic City expressed his support for the Project, and stated his belief that the Aviation Research & Technology Park would be a benefit to the youth of the City. Hearing no further public comment, the Chair

requested a motion to adopt the resolution. A motion was made by Mr. Dressel and seconded by Ms. Reynolds. Resolution 11-09 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
APPOINTING AN INTERIM EXECUTIVE DIRECTOR**

The resolution was read by title. Chairman Kehoe stated that Mr. Thomas Carver submitted his resignation to the Governor, and that Ms. Susan Thompson is proposed to serve as a temporary, interim Executive Director, until such time as a permanent candidate is appointed to the position. The Chair elicited discussion from the members, and then opened the matter to the public for comment. Mr. William Cheatham of Atlantic City expressed his support for the proposed action, and wished Mr. Carver well.

Hearing no further public comment, the Chair requested a motion to adopt the resolution. A motion was made by Mr. Dressel and seconded by Mr. Cammarano. Resolution 11-10 was approved by a vote of 13-0.

**RESOLUTION OF THE CASINO REINVESTMENT DEVELOPMENT AUTHORITY
ACCEPTING THE 2010 AUDITED FINANCIAL STATEMENTS SUBMITTED BY
FORD, SCOTT AND ASSOCIATES, LLC AND AUTHORIZING SUBMISSION OF THE
AUDIT TO THE GOVERNOR, STATE TREASURER AND THE LEGISLATURE**

The resolution was read by title. Mr. Val Berzins, Chief Financial Officer, provided a description of the proposed action. The Chair elicited discussion from the members, and then opened the matter to the public for comment.

Hearing no public comment, the Chair requested a motion to adopt the resolution. A motion was made by Mr. Petrecca and seconded by Mr. Gant. Resolution 11-11 was approved by a vote of 14-0.

PUBLIC COMMENT

Mr. Chip Dunn of Bungalow Park of Atlantic City expressed his desire that the area known as Gardiner's Basin be included in the proposed Tourism District.

Mr. M. K. Thomas of Atlantic City reiterated his views, as expressed in prior meeting of the Authority, concerning the need for the CRDA to work with his organization on economic development projects in the City. Mr. Thomas also expressed his desire to be included in the Authority's proposed "Arts District" development. Mr. Carver responded that he and Susan Thompson had met with Mr. Thomas and others on two occasions to review the Authority's proposals for the Arts District.

Ms. Christie Brooks of Atlantic City stated her dissatisfaction with the Authority's current general contractor, Feriozzi Concrete, because she has not been successful in obtaining work as a small/woman-owned business subcontractor. Ms. Brooks stated that she had met with Mr. Meehan to address her concerns, and was not satisfied that sufficient opportunities exist for her and other Atlantic City small and minority business owners. Mr. Carver asked Mr. Meehan whether the Authority's current general contractor was in compliance with its contractual obligations relative to soliciting small, woman and minority businesses. Mr. Meehan responded that he has not completed his review of the general contractor's submittals on this matter. Mr. Carver committed to completing the review and his belief that the Authority would advise her of the outcome of this assessment.

The Mayor questioned whether the law mandates participation of subcontractors, such as Ms. Brooks, in CRDA construction projects. Mr. Carver stated his belief that the law does not permit such mandates, but that the Authority takes such matters seriously and would examine whether the general contractor was meeting its obligation to use best efforts to engage small, minority and woman owned businesses under the Authority's contract. Mayor Langford expressed his desire that the current contractor's efforts be carefully scrutinized by the Authority. Ms. Reynolds expressed her support for a thorough examination of the contract.

Atlantic County Freeholder Charles Garrett and his wife, Augusta Garrett, reviewed their experience with the Authority's Venice Park Bulkhead Project, and their perception of the difficulties associated with the project. In particular, Mr. Garrett expressed his view that the Authority's Chief Legal Counsel, Mr. Weiss, was responsible for the difficulties that the Garrett's experienced on the project. The Garrett's further expressed their dissatisfaction with receiving an Internal Revenue Service form 1099 as a result of obtaining a direct grant from the Authority to design and install a new bulkhead on their property. Mr. Carver responded that the facts surrounding the Garrett's involvement in the project were complicated by their initial decision to not participate in the project and then their desire to participate after the Authority's contractor had substantially completed the work. Mr. Garrett stated that he and his wife were not being treated fairly. Ms. Reynolds expressed her concern that the Garrett's should not be treated differently than the other participants in the project. In response to Chairman Kehoe's request, Ms. Thompson stated that she would review the matter and arrange a meeting with Mr. and Mrs. Garrett.

Mr. Pinky Kravitz of Atlantic City congratulated Ms. Thompson and wished her well, and praised Mr. Carver for all the good work he did for Atlantic City.

Mr. Steven Young of Atlantic City stated his belief that the Authority needs to increase communication with the residents. Mr. Young further stated that he has invited the Governor to have a town hall meeting in the City to address local concerns in light of the recent enactment of the S11 legislation. Mr. Young commended Mr. Carver and Ms. Thompson for attending community meetings.

Mr. Marte King of Atlantic City expressed his concern for the children of the City and his belief that more can be done by the CRDA to facilitate the engagement of the City's children as part of the S11 mandate to make the City cleaner and safer.

Expressing a desire to be involved with promoting youth sporting programs in the Armory, Mr. Michael Feeley of Brigantine questioned if the Authority has entered into or was considering operation or administration proposals for the Armory. Mr. Carver responded that current plans envision the Atlantic Cape Community College taking a lead role in the Armory project.

Ms. Linda Steele of Galloway thanked Mr. Carver for his years of service and wished Ms. Thompson luck. Ms. Steele stated that the City needs to do a better job partnering with the casinos and the residents. Ms. Steele feels the City is at a crossroad, and any change should benefit all residents and not only the casinos.

Mr. Steven Moore, 3rd Ward Councilman of Atlantic City thanked Mr. Carver for his years of service.

Mayor Langford reiterated his view that the Authority establish spending priorities for its City-based investments, that the community needs to have input in such matters, and that "out of towners" should not shape the City's future.

On behalf of the members, Chairman Kehoe thanked Mr. Carver for his service. He commended him for his hard work, time and effort.

Mr. Peter Cammarano acknowledged Mr. Carver's contributions to the Authority and his commitment to the City.

Ms. Reynolds also expressed her thanks for Mr. Carver's dedication to the City and its communities.

Mr. Carver stated that it was his pleasure to serve the residents of the City, and that the City remains a treasure of the State. Mr. Carver further emphasized his belief that the casinos and the residents need to cooperate and collaborate more if the City is to be successful.

The Chairman requested a motion for adjournment. A motion was made by Mr. Kyle and seconded by Ms. Reynolds, whereupon the meeting was adjourned by unanimous vote of the members present.

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

February 15, 2011

Ali Reynolds, Secretary