

	<h1>Redevelopment Agency Meeting</h1> <h2>Regular Meeting</h2> <p>Thursday, June 11, 2015 7:00 p.m. City of Passaic, Mayor's Conference Room</p>
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Commissioners Present: David Spector, Peter Cedeno-Castro, William Diaz and Delis P. Santana

Commissioners Absent: Chaim Munk and Arthur Soto

Staff Present: Ricardo Fernandez/Executive Director, Christine Faustini/Attorney and Joe Buga/Project Manager

Other Present: Several members from the public were present

Proper Notice: Adequate notice of the meeting was provided by notice to the Herald & News and Bergen Record, and by posting on the City Clerk's bulletin board specifying the time, place and known agenda.

- I. Roll Call
- II. Pledge of Allegiance
- III. Minutes of the meeting for April 23, 2015.

Moved: Delis P. Santana
Second: William Diaz
For: 3 Against: 0 Abstain: 1 Not Present: 2

- IV. The bill list for June 11, 2015 in the amount of \$22,072.78 was reviewed and approved.

Moved: Peter Cedeno-Castro
Second: William Diaz
For: 4 Against: 0 Abstain: 0 Not Present: 2

VI. Resolutions

PASSAIC REDEVELOPMENT AGENCY

RESOLUTION NO. 15-24

**Resolution Re: Establishing Temporary Budget Appropriations for the Fiscal Year
Ending June 30, 2016**

WHEREAS, the Agency has not adopted a budget for the fiscal year ending June 30, 2016, and

WHEREAS, the Agency may be required to enter into contracts to make payments prior to adoption of its budget for the fiscal year ending June 30, 2016, and

WHEREAS, NJAC 5:31-2.5 permits an Agency to make temporary appropriations between the beginning of the fiscal year and the adoption of the budget.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Passaic Redevelopment Agency that the following temporary appropriations be made.

Administration - Personnel	
Salaries and Wages	<u>\$9,000</u>
Total Administration - Personnel	<u>9,000</u>
Administration - Other	
Professional Fees	10,250
Miscellaneous - Administration	<u>750</u>
Total Administration - Other	<u>11,000</u>
Total Administration	<u>20,000</u>
Total Operating Appropriations	<u>\$20,000</u>

INTRODUCED BY: Delis P. Santana

SECONDED BY: William Diaz

	For	Against	Abstain	Absent
Chairman David Spector	X			
Vice-Chairman Peter Cedeno-Castro	X			
Commissioner William Diaz	X			
Commissioner Chaim Munk				X
Commissioner Delis P. Santana	X			
Commissioner Arthur Soto				X

Adopted on June 11, 2015

PASSAIC REDEVELOPMENT AGENCY

ORIGINAL SIGNATURE ON FILE
 Ricardo Fernandez, Executive Director

Certified to be a true and correct copy of the Resolution adopted by the Passaic Redevelopment Agency Board of Commissioners at their meeting dated June 11, 2015.

**PASSAIC REDEVELOPMENT AGENCY
 RESOLUTION # 15-25**

**RESOLUTION ESTABLISHING MEETING DATES
 FOR FISCAL YEAR 2015-2016**

WHEREAS, the Passaic Redevelopment Agency needs to establish meeting dates for the fiscal year 2015-2016.

NOW THEREFORE BE IT RESOLVED by the Passaic Redevelopment Agency that the following are the Agency's regular meeting dates. All meetings are to be held at 7:00pm in the Passaic City Council Chambers, 330 Passaic Street, Passaic, NJ.

July 23, 2015	January 28, 2016
August 27, 2015	February 25, 2016
September 24, 2015	March 29, 2016 **
October 22, 2015	April 21, 2016 **
November 17, 2015 **	May 26, 2016
December 29, 2015 **	June 23, 2016

INTRODUCED BY: David Spector

SECONDED BY: Delis P. Santana

Commissioner	For	Against	Abstain	Absent
Chairman David Spector	X			
Vice Chairman Peter Cedeno-Castro	X			
William Diaz	X			
Chaim Munk				X
Delis P. Santana	X			
Arthur Soto				X

Adopted on: June 11, 2015

ORIGINAL SIGNATURE on FILE
 Ricardo Fernandez, Executive Director

**PASSAIC REDEVELOPMENT AGENCY
RESOLUTION # 15-26**

**RESOLUTION AWARDING CONTRACT FOR GENERAL COUNCIL LEGAL
SERVICES FOR FISCAL YEAR 2016**

WHEREAS, proposals were received by the Director of Purchasing on May 22, 2015 for the Passaic Redevelopment Agency General Counsel; and,

WHEREAS, the proposals were solicited through a fair and open process in accordance with N.J.S.A. 19:44A-20.4 et. seq.; and,

WHEREAS, proposals were received from the following vendors:

- a. Eric M. Bernstein and Associates, LLC; and
- b. Decotis, Fitzpatrick and Cole, LLP

WHEREAS, Eric M. Bernstein and Associates, LLC has been performing these services for the Redevelopment Agency for the prior year in a satisfactory manner; and,

WHEREAS, the Executive Director has reviewed the responses and has recommended Eric M. Bernstein and Associates, LLC based on qualification, past experience and cost; and,

NOW THEREFORE BE IT RESOLVED by the Passaic Redevelopment Agency that the contract for General Counsel be awarded to Eric M. Bernstein and Associates, LLC. as specified in the attached contract.

BE IT FURTHER RESOLVED, that the Chairman is authorized to execute a contract for General Counsel Legal Services to Eric M. Bernstein and Associates, LLC in an amount not to exceed \$15,000 for a period July 1, 2015 through June 30, 2016 for General Counsel services; and, services related to specific redevelopment projects paid from developer escrow funds shall not be counted toward the \$15,000 contract ceiling.

CERTIFICATION OF FUNDS R-16-55-606-000-028

I certify that funds are available in the Redevelopment Agency Account.

ORIGINAL SIGNATURE ON FILE
Chief Financial Officer

INTRODUCED BY: David Spector

SECONDED BY: William Diaz

Commissioner	For	Against	Abstain	Absent
Chairman David Spector	X			
Vice Chairman Peter Cedeno-Castro	X			
William Diaz	X			
Chaim Munk				X
Delis P. Santana	X			
Arthur Soto				X

June 11, 2015
 Date

ORIGINAL SIGNATURE ON FILE
 Ricardo Fernandez, Executive Director

**PASSAIC REDEVELOPMENT AGENCY
 RESOLUTION # 15-27**

**RESOLUTION AWARDING CONTRACT FOR BUDGET, AUDIT AND
 FINANCIAL ADVISORY SERVICES FOR FISCAL YEAR 2015**

WHEREAS, proposals were received by the Director of Purchasing on May 22, 2015 for the Passaic Redevelopment Agency Budget, Audit and Financial Advisory Services; and,

WHEREAS, the proposals were solicited through a fair and open process in accordance with N.J.S.A. 19:44A-20.4 et. seq.; and,

WHEREAS, proposals were received from the following vendors:

- a. Lerch Vinci & Higgins, LLP

WHEREAS, Lerch Vinci & Higgins, LLP has been performing these services for the Redevelopment Agency for the prior year in a satisfactory manner; and,

WHEREAS, the Executive Director has reviewed the responses and has recommended Lerch Vinci and Higgins, LLC based on qualification, past experience and cost; and,

NOW THEREFORE BE IT RESOLVED by the Passaic Redevelopment Agency that the contract for Budget, Audit and Financial Services be awarded to Lerch Vinci & Higgins, LLP. as specified in the attached contract.

BE IT FURTHER RESOLVED, that the Chairman is authorized to execute a contract for Audit and Financial Advisory Services to Lerch Vinci & Higgins, LLC an amount not to exceed \$6,900 for a period July 1, 2015 through June 30, 2016.

CERTIFICATION OF FUNDS R-16-55-606-000-028

I certify that funds are available in the Redevelopment Agency Account.

ORIGINAL SIGNATURE ON FILE
 Chief Financial Officer

INTRODUCED BY: David Spector

SECONDED BY: William Diaz

Commissioner	For	Against	Abstain	Absent
Chairman David Spector	X			
Vice Chairman Peter Cedeno-Castro	X			
William Diaz	X			
Chaim Munk				X
Delis P. Santana	X			
Arthur Soto				X

June 11, 2015
 Date

ORIGINAL SIGNATURE ON FILE
 Ricardo Fernandez, Executive Director

RESOLUTION 15-28 WAS TABLED AND REMOVED

**PASSAIC REDEVELOPMENT AGENCY
RESOLUTION NUMBER 15-29**

Resolution Terminating the Interim Costs Agreement with Penrose Properties, L.L.C. and Revoking the Designation of Penrose Properties, L.L.C. as the Redeveloper for Properties Known as Block 1030, Lot 53 and Block 1036, Lots 1 and 8 on the Tax Map of the City of Passaic.

WHEREAS, Penrose Properties, L.L.C. submitted a proposal to the Passaic Redevelopment Agency (the "Agency") for the construction of a mixed use development within the Eastside Redevelopment Area (the "Project"), properties known as Block 1030, Lot 53, otherwise known as 1-11 Market Street, and Block 1036, Lots 1 and 8, otherwise known as 177 and 187 Passaic Street, (cumulatively, the "Property") within the City of Passaic; and,

WHEREAS, Penrose Properties, L.L.C. (the "Redeveloper") applied to the Agency to be designated as a Redeveloper, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as to the Property, and was designated as such by Passaic Redevelopment Agency Resolution Number 13-14, adopted on February 7, 2013; and,

WHEREAS, at the time of the adoption of Resolution Number 13-14, the Property was owned by unrelated third parties; and,

WHEREAS, on March 4, 2013, the Agency and the Redeveloper entered into an Interim Costs Agreement; and,

WHEREAS, at the time the Agency and the Redeveloper entered into the Interim Costs Agreement, both parties were desirous of entering into a Redevelopment Agreement for development of the Project in accordance with the requirements of the Redevelopment Plan adopted by the City of Passaic; and,

WHEREAS, to date, the parties have not been able to enter into negotiations for, much less draft/execute a Redevelopment Agreement; and,

WHEREAS, pursuant to the terms of the Interim Costs Agreement, the Agency is vested with the authority to determine when a Redevelopment Agreement cannot be executed and thereby terminate the Interim Costs Agreement and revoke its designation of Penrose Properties, L.L.C. as the Redeveloper of the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Passaic Redevelopment Agency that:

1. The above recitations are incorporated herein as if set forth at length; and,
2. The Agency hereby determines that a Redevelopment Agreement cannot be executed between the parties for development of the proposed Project on the Property; and,
3. The Redevelopment Agreement Process, as described in the Interim Costs Agreement executed by the Agency and the Redeveloper on March 4, 2013 is terminated; and,
4. The balance remaining in the Interim Fund shall be dispersed in accordance with the terms of the Interim Costs Agreement, dated March 4, 2013.

BE IT FURTHER RESOLVED that the Chairman, Vice Chairman and/or Secretary are hereby authorized to execute any and all documents necessary to effectuate this Resolution subject to review and approval of the Agency's General Counsel and Executive Director.

INTRODUCED BY: David Spector
 SECONDED BY: William Diaz

	For	Against	Abstain	Absent
Chair David Spector	X			
Vice Chair Peter Cedeno-Castro	X			
Commissioner William Diaz	X			
Commissioner Chaim Munk				X
Commissioner Delis P. Santana	X			
Commissioner Arthur Soto				X

Adopted on June 11, 2015

PASSAIC REDEVELOPMENT AGENCY

ORIGINAL SIGNATURE on FILE

Ricardo Fernandez, Executive Director

XIV. CLOSED SESSION ITEMS FOR DISCUSSION

CLOSED

Moved: David Spector
 Seconded: William Diaz
 For: 4 Against: 0 Abstain: 0 Not Present: 2

OPEN

Moved: David Spector
Seconded: Delis P. Santana
For: 4 Against: 0 Abstain: 0 Not Present: 2

XV. Updates by Executive Director Ricardo Fernandez

Trinity Partners

As per our previous discussion this shall confirm that reclaiming or recapturing the property is not an option as that would entail the city paying the current owner what he paid for the purchase of the property \$1.5 million. At this time we are waiting for a developer who would put that type money up when we go to take the property, if need be. Our last discussions with the owners were in regards to he owed taxes and he stated that they have a new partner as it was discussed at the last meeting and he was advised that they were going to go in default of a tax lien and will be charged interest if they do not buy it. They said they were going to pay the owed taxes. The tax lien sale is scheduled for this coming week and whoever buys the certificates will have two years to take possession. The owner will have some relief if he steps up and tries to resolve the matter.

Pennrose

Discussed in closed session. We are in the process of possibly considering an RFP with the owner who is still working with us. He was very upset about the Pennrose situation but I met with him last week and he has a couple of ideas that would possibly bring him before the agency for designation. I will be following up with him in two weeks to see if we can get a redesign of the building and hopefully I can report that back.

220 Passaic Street/Sharut

The developer replenished his escrow funds. We are still working with the attorney on finalizing the redeveloper's agreement. I had a meeting with the attorney today which we only have one or two items that were left outstanding and we are working towards the sale of the portion of the parking area along First

Street as specified on the agreement. Once it is finalized we will bring it to the council for review and approval. They are almost completely done with the catering center on the 2nd floor and are in the middle of doing the facade work and are going to do some site work so they can get a temporary CO.

125 South Street/Contempo

The redeveloper's agreement is negotiated we are waiting to get the final copy to sign it and they will have to pay the application fees as required. The delay on this project as well as the following one has been the situation with the canal, which we are currently in discussions with the Assemblyman's office to assist us in trying to extend the lease instead of asking us to do a quick claim deed.

2 Market Street

They have been able to navigate around the canal portion owned by United Water to keep all the necessary parking on the site so they don't have to use that space for the project. That will make the project move a lot faster. Our attorney has drafted a letter that will be going out to their financing establishment regarding our discussions as designation of redeveloper and the discussions with the municipality for the PILOT. Once that is done hopefully the funding will flow with greater ease and the project can start moving forward. They already have the executed the interim agreement and have paid their escrows and are in the negotiations with us for the redevelopers agreement.

Pantasote Site

Is in the condemnation process so everything is moving slowly. All professional contracts have been awarded and hopefully we can hear back from the court within the next couple of months.

Pennington Partners/Old St. Mary's

We are working with our attorney to get them to sign the interim agreement so that the redevelopment agreement can be given to them. The PILOT was discussed with the city council and an agreement has been reached. The intention is to get the interim executed and the PILOT agreed so that we can pay our attorneys for the redeveloper's agreement. The redevelopment plan has been approved and once this happens we can start with a formal site plan approval and then they can start building.

St. Mary's Hospital / Prime Healthcare

The interim agreement has been executed they asked for an extension which is being granted. Because this is a multi tiered corporation, where the chain goes back to California to make its way through all the levels of command and back to us. The escrow has been paid and now we are in the process of discussing the PILOT which is very complicated when negotiating with the hospital.

XIV. Adjournment

Moved: David Spector
Seconded: William Diaz
For: 4 Against: 0 Abstain: 0 Not Present: 2

Respectfully Submitted,


Asenett Martin
Secretary

