

# Redevelopment Agency Meeting Regular Meeting

Thursday, September 3, 2015

7:00 p.m.

City of Passaic, Mayor's Conference Room

**Commissioners Present:** David Spector, Peter Cedeno-Castro, William Diaz, Chaim Munk and Arthur Soto

**Commissioners Absent:** Delis P. Santana

**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 June 11, 2015.

Moved: Arthur Soto

Second: William Diaz

For: 4 Against: 0 Abstain: 0 Not Present: 2

**IV.** The bill list for September 3, 2015 in the amount of \$19,173.87 was reviewed and approved.

Moved: David Spector

Second: Arthur Soto

For: 4 Against: 0 Abstain: 0 Not Present: 2

COMMISSIONER MUNK ENTERED THE MEETING

**V. Resolutions**

**Resolution 16-01 Selecting Chairman for the Fiscal Year July 1, 2015 through June 30, 2016 was TABLED**

**Resolution 16-02 Selecting Vice-Chairman for the Fiscal Year July 1, 2015 through June 30, 2016 was TABLED**

**PASSAIC REDEVELOPMENT AGENCY  
RESOLUTION # 16-03**

**RESOLUTION CONTINUING THE APPOINTMENT OF THE EXECUTIVE DIRECTOR  
FOR FISCAL YEAR JULY 1, 2015 THROUGH JUNE 30, 2016**

**WHEREAS**, the Passaic Redevelopment Agency is required by NJSA 40A:12A-11(b) to employ an Executive Director who shall also serve as Secretary of the Agency; and

**WHEREAS**, Mr. Fernandez was appointed by the Agency to service as Executive Director on July 7, 2011;

**WHEREAS**, Ricardo Fernandez, continues to meet the qualifications of NJSA 40-:12A-12 to serve as Executive Director; and

**NOW THEREFORE BE IT RESOLVED**, the Board agrees to the continuation of the appointment of Ricardo Fernandez as Executive Director at an annual salary of \$32,500; and,

**BE IT FURTHER RESOLVED**, that Ricardo Fernandez, in his capacity of Executive Director shall serve as the appointing authority for all of the employees of the Agency.

INTRODUCED BY: Arthur Soto

SECONDED BY: William Diaz

Commissioner	For	Against	Abstain	Absent
Chairman David Spector	<b>x</b>			
Vice Chairman Peter Cedeno-Castro	<b>x</b>			
William Diaz	<b>x</b>			
Chaim Munk	<b>x</b>			
Delis P. Santana				<b>x</b>
Arthur Soto	<b>x</b>			

Adopted on: September 3, 2015

Original Signature on File  
Ricardo Fernandez, Executive Director

PASSAIC REDEVELOPMENT AGENCY  
RESOLUTION # 16-04

RESOLUTION APPOINTING CHIEF FINANCIAL OFFICER FOR FISCAL YEAR JULY 1,  
2015 THROUGH JUNE 30, 2016

BE IT RESOLVED, by the Passaic Redevelopment Agency that Vidya Nayak is hereby designated as Chief Financial Officer of the Passaic Redevelopment Agency for the fiscal year beginning July 1, 2015 and ending June 30, 2016.

INTRODUCED BY: William Diaz

SECONDED BY: David Spector

Commissioner	For	Against	Abstain	Absent
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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: September 3, 2015

Original Signature on File  
 Ricardo Fernandez, Executive Director

PASSAIC REDEVELOPMENT AGENCY  
 RESOLUTION NUMBER 16-05

RESOLUTION APPOINTING RECORDING SECRETARY FOR THE FISCAL YEAR  
 JULY 1, 2015 THROUGH JUNE 30, 2016

BE IT RESOLVED, by the Passaic Redevelopment Agency that Asenett (Kathy) Martin is hereby designated as the Recording Secretary of the Passaic Redevelopment Agency for the fiscal years beginning July 1, 2015 and ending June 30, 2016 at a rate of \$250.00 per meeting.

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			

Adopted on: September 3, 2015

Original Signature on File  
 Ricardo Fernandez, Executive Director

**PASSAIC REDEVELOPMENT AGENCY  
 RESOLUTION # 16-06**

**RESOLUTION AUTHORIZING OFFICIAL NEWSPAPERS FOR THE FISCAL YEAR  
 JULY 1, 2015 THROUGH JUNE 30, 2016**

**BE IT RESOLVED**, by the Passaic Redevelopment Agency that Passaic Redevelopment Agency hereby designates the North Jersey Herald & News and The Record as Official Newspapers for the Passaic Redevelopment Agency for the fiscal year beginning July 1, 2015 and ending June 30, 2016, which newspapers are authorized to publish legal advertisements. The Executive Director shall retain the right to select which newspapers shall receive said advertisements in accordance with the law.

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			

Adopted on: September 3, 2015

Original Signature on File  
 Ricardo Fernandez, Executive Director

PASSAIC REDEVELOPMENT AGENCY  
 RESOLUTION NUMBER 16-07

RESOLUTION DESIGNATING THE OFFICIAL DEPOSITORY OF THE PASSAIC  
 REDEVELOPMENT AGENCY FOR THE FISCAL YEAR JULY 1, 2015 AND ENDING  
 JUNE 30, 2016

BE IT RESOLVED, by the Passaic Redevelopment Agency that Passaic Redevelopment Agency hereby designates Valley National Bank, 211 Main Avenue, Passaic, NJ 07055 as the official bank depository of the Passaic Redevelopment Agency.

INTRODUCED BY: Arthur Soto

SECONDED BY: William Diaz

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

Adopted on: September 3, 2015

Original Signature on File  
Ricardo Fernandez, Executive Director

**PASSAIC REDEVELOPMENT AGENCY**

**RESOLUTION NO. 16-08**

**BE IT RESOLVED** by the Passaic Redevelopment Agency that the following be approved as permitted investments according to N.J.S.A. 40A:5-15.1(a):

Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds

Government money market mutual funds

Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors. This eliminates derivatives, indexed rate, or rate reset obligations

Bonds or other obligations of the local unit or school districts of which the local unit is a part

Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments

Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program

New Jersey State Cash Management Fund

Repurchase agreements (repos) of fully collateralized securities, subject to conditions discussed in 40A:5-15.1(8)(e)

INTRODUCED BY: William Diaz

SECONDED BY: Arthur Soto

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: September 3, 2015**

I hereby certify that the above is a true and exact copy of the Resolution adopted by the Passaic Redevelopment Agency at their regular meeting held on September 3, 2015

Original Signature on File  
 Ricardo Fernandez  
 Executive Director  
 Passaic Redevelopment Agency

## 2016 ADOPTION CERTIFICATION

### Passaic Redevelopment Agency

(Name)

### AUTHORITY BUDGET

**FISCAL YEAR:**    **FROM:**    July 1, 2015    **TO:**    June 30, 2016

It is hereby certified that the Authority Budget and Capital Budget/Program annexed hereto is a true copy of the Budget adopted by the governing body of the Passaic Redevelopment Agency, pursuant to N.J.A.C. 5:31-2.3, on the 3rd day of, September, 2015.

Officer's Signature:	<i>Original Signature on File</i>		
Name:	Ricardo Fernandez		
Title:	Executive Director		
Address:	Passaic Redevelopment Agency 330 Passaic Street Passaic, NJ 07055		
Phone Number:	973-365-5514	Fax Number:	973-365-5567
E-mail address	rfernandez@cityofpassaicnj.gov		

## **2016 ADOPTED BUDGET RESOLUTION #16-09**

### **Passaic Redevelopment Agency**

(Name)

### **AUTHORITY**

**FISCAL YEAR: FROM: July 1, 2015 TO: June 30, 2016**

WHEREAS, the Annual Budget and Capital Budget/Program for the Passaic Redevelopment Agency for the fiscal year beginning July 1, 2015 and ending, June 30, 2016 has been presented for adoption before the governing body of the Passaic Redevelopment Agency at its open public meeting of September 3, 2015; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$ 10,000 , Total Appropriations, including any Accumulated Deficit, if any, of \$ 80,000 and Total Unrestricted Net Position utilized of \$ 70,000 ; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$-0- and Total Unrestricted Net Position planned to be utilized of \$-0-; and

**NOW, THEREFORE BE IT RESOLVED**, by the governing body of Passaic Redevelopment Agency , at an open public meeting held on September 3, 2015 that the Annual Budget and Capital Budget/Program of the Passaic Redevelopment Agency for the fiscal year beginning, July 1, 2015 and, ending, June 30, 2016 is hereby adopted and shall constitute appropriations for the purposes stated; and

**BE IT FURTHER RESOLVED**, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

Original Signature on File \_\_\_\_\_ September 3, 2015 \_\_\_\_\_  
 (Secretary's Signature) (Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Peter Cedeno-Castro	X			
William Diaz	X			
Chaim Munk	X			
David Spector	X			
Delis P. Santana				X
Arthur Soto	X			

**The executive director addressed several questions from members of the public that were present with regards to the redevelopment project property at 663 Main Avenue.**

**CITY OF PASSAIC REDEVELOPMENT AGENCY  
 RESOLUTION NUMBER 16-10**

**Resolution of the Board of Commissioners  
 of the Passaic Redevelopment Agency  
 Extending the Designation of LinX Redevelopment, Inc. as the Redeveloper  
 for Property Located in the Eastside Redevelopment Area (Pantasote)**

**WHEREAS**, LinX Redevelopment, Inc. (hereinafter referred to as the “Redeveloper”) submitted a proposal (hereinafter referred to as the “Proposal”), dated June 18, 2014, in response to the Request for Proposals issued by the Passaic Redevelopment Agency (hereinafter referred to as the “Agency”) for the construction of a mixed use development within a part of the Eastside Redevelopment Area; and,

**WHEREAS**, the site is located at Block 4075, Lots 2, 3, 35A, 37A, 39-45, and 47, as well as Block 1054, Lot 1 and Block 1054A, Lot 1, which lots are presently owned by unrelated third parties, consisting of approximately 7.2 acres bounded by Madison Street, Jefferson Street and the Dundee Canal (hereinafter referred to as the “Pantasote” site); and,

**WHEREAS**, the Redeveloper proposes to construct an entertainment facility, a banquet facility, retail and restaurant spaces, and public pedestrian streetscape spaces with related issues to be addressed as part of the Redeveloper’s site plan application (hereinafter referred to as the “Project”); and,

**WHEREAS**, a committee of the Agency’s Board of Commissioners has reviewed the Redeveloper’s Proposal and found same to be generally consistent with the intent of the Eastside Redevelopment Plan (hereinafter referred to as the “Plan”) for this area, which is designated in the Plan for commercial development; and,

**WHEREAS**, the Redeveloper shall comply with the Eastside Redevelopment Plan and/or shall apply for all necessary variances, approvals, and/or permits as may be required under the

Plan and/or by the Passaic Planning Board or may seek amendment of the Plan by request to the Agency and the City; and,

**WHEREAS**, by Resolution 15-11 adopted by the Board of Commissioners of the City of Passaic Redevelopment Agency on August 14, 2014, LinX Redevelopment, Inc. was designated as the Redeveloper for property located at Block 4075, Lots 2, 3, 35A, 37A, 39-45 and 47 as well as Block 1054, Lot 1 and Block 1054A, Lot 1; and,

**WHEREAS**, the parties have been proceeding in good faith pursuant to Resolution No. 15-11; and,

**WHEREAS**, the designation created by Resolution No. 15-11 has expired; and,

**WHEREAS**, the parties would like to continue pursuit of the Redevelopment Project.

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

1. The above recitations are incorporated herein as if set forth at length; and,
2. LinX Redevelopment, Inc. is hereby designated the Redeveloper for the redevelopment of the property located at Block 4075, Lots 2, 3, 35A, 37A, 39-45 and 47 as well as Block 1054, Lot 1 and Block 1054A, Lot 1 and shall negotiate a redevelopment agreement with the Passaic Redevelopment Agency for said project with the terms and conditions of such Redevelopment Agreement being subject to the review and approval of this Agency; and,
3. This designation is expressly contingent upon any amendment, if necessary, to the Eastside Redevelopment Plan by the City of Passaic and/or variances and approvals from the Redevelopment Plan for the proposed Project if necessary; and,

4. This designation is expressly contingent upon payment by the Redeveloper to the Passaic Redevelopment Agency of a non-refundable Application Fee of Thirty Thousand (\$30,000.00) Dollars, such Application Fee to be paid within ten (10) calendar days of the adoption of this Resolution if same has not already been paid; and,

5. This designation is expressly contingent upon the Redeveloper being responsible for and assuming all costs incurred by the Agency, including, but not limited to appraisal, title, environmental, financial, legal, etc. and is further expressly contingent upon the Redeveloper providing all funds for the acquisition, relocation, property maintenance and demolition of the real property and construction of the proposed Project; and,

6. The Interim Costs Agreement between the Passaic Redevelopment Agency and the Redeveloper is approved for signature by the Agency, subject to final approval of the Agency's General Counsel; and,

7. The designation herein is for a one hundred twenty (120) calendar day period, which period may be extended if necessary at the sole discretion of the Agency's Executive Director for up to an additional one hundred twenty (120) calendar days; and,

**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 the review and approval of the Agency's General Counsel and Executive Director.

INTRODUCED BY: Arthur Soto

SECONDED BY: Chaim Munk

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

Adopted on September 3, 2015

PASSAIC REDEVELOPMENT AGENCY

Original Signature on File  
 Ricardo Fernandez, Executive Director

**PASSAIC REDEVELOPMENT AGENCY  
 RESOLUTION NUMBER 16-11**

Resolution Extending the Designation of Prime Healthcare Services–St. Mary’s Passaic Urban Renewal, LLC as the Redeveloper for Property located at 346-426 Boulevard a/k/a 350 Boulevard, Block 3225, Lots 1 and 1.1 (commonly known as the former St. Mary’s Hospital)

**WHEREAS**, Prime Healthcare Services-St. Mary’s Passaic, LLC (the “Owner”) is the owner of properties located at 346-426 Boulevard a/k/a 350 Boulevard, Block 3225, Lot 1, f/k/a Block 3225, Lots 1 and 1.1, formerly known as St. Mary’s Hospital (the “Property”), which is

located within the boundaries of the City of Passaic (the “City”) in an area that has been designated by the City as an area in need of redevelopment, covered by a duly adopted zoning plan known as the Scattered Site Redevelopment Plan, dated February 2, 2004 and as amended through July 30, 2014 (the “Plan”); and,

**WHEREAS**, Prime Healthcare Services-St. Mary’s Passaic Urban Renewal, LLC (the “Redeveloper”) is a wholly owned subsidiary of the Owner that will lease the Property from the Owner and will redevelop, rehabilitate and revitalize the Property as a hospital; and,

**WHEREAS**, the Owner will thereafter be the operator of the hospital facility; and,

**WHEREAS**, by Resolution dated April 2, 2014, adopted by the City of Passaic Planning Board (the “Planning Board”), the Board set forth its recommendation for designation of the Property as an area in need of redevelopment; and,

**WHEREAS**, by Resolution No. 14-05-101, adopted by the City Council on May 13, 2014, the City designated the Property as an area in need of redevelopment; and,

**WHEREAS**, by Ordinance No. 1992-14, adopted by the City Council on July 30, 2014, the Plan was amended to add the Property within the purview of the Plan; and,

**WHEREAS**, the Redeveloper has submitted a redevelopment proposal, dated March 16, 2015 (the “Proposal”), to the Passaic Redevelopment Agency (the “Agency”) for the Property for uses in conformity with the Plan as amended; and,

**WHEREAS**, the Redeveloper proposes to redevelop, rehabilitate and revitalize the Property as a hospital, including substantial capital physical improvements to upgrade and

modernize the building systems, capital medical equipment improvements and purchases and capital information technology improvements (the “Project”); and,

**WHEREAS**, a committee of the Agency’s Board of Commissioners has reviewed the Proposal and found same to be generally consistent with the intent of and uses set forth in the Plan as amended; and,

**WHEREAS**, the Redeveloper shall comply with the Plan and/or shall apply to the Planning Board for all necessary variances, approvals and/or permits as may be required under the Plan and/or or may seek amendment of the Plan by written request to the Agency and the City; and,

**WHEREAS**, on March 26, 2015, the Commissioners of the Passaic Redevelopment Agency unanimously approved Resolution Number 15-20, designating Prime Healthcare Services-St. Mary’s Passaic Urban Renewal, LLC as the Redeveloper for the redevelopment of the Property; and,

**WHEREAS**, since the adoption of Resolution Number 15-20, the parties have been operating in good faith and in accordance with Resolution Number 15-20; and,

**WHEREAS**, the parties have executed an Interim Costs Agreement; and,

**WHEREAS**, the parties are presently cooperating to develop and execute Redevelopment Agreement.

**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 designation of Prime Healthcare Services-St. Mary’s Passaic Urban Renewal, LLC as a Redeveloper for the redevelopment of the Property, as described pursuant to Resolution Number 15-20, is hereby extended beyond its current expiration date of September 22, 2015. The designation herein is for a period of ninety (90) calendar days beyond the current expiration date, and may be further extended, if necessary, at the sole discretion of the Agency’s Executive Director for an additional period of ninety (90) calendar days; and,
3. The parties acknowledge that all provisions contained within Resolution Number 15-20 remain in force and effect as if set forth herein. The sole purpose of this Resolution is to provide an extension to the designation as a Redeveloper.

**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 the review and approval of the Agency’s General Counsel and Executive Director.

INTRODUCED BY: Arthur Soto

SECONDED BY: William Diaz

	For	Against	Abstain	Absent
Chair David Spector	<b>X</b>			
Vice Chair Peter Cedeno-Castro	<b>X</b>			
Commissioner William Diaz	<b>X</b>			
Commissioner Chaim Munk	<b>X</b>			

Commissioner Delis P. Santana				<b>X</b>
Commissioner Arthur Soto	<b>X</b>			

Adopted on September 3, 2015

PASSAIC REDEVELOPMENT AGENCY

*Original Signature on File*  
 Ricardo Fernandez, Executive Director

**VI. Updates by Executive Director Ricardo Fernandez**

**Contempo / 220 Passaic Street**

They are moving along. We are still working on finalizing our redeveloper's agreement with them, the biggest delay has been the timeline. We are asking for a phasing timeline before we can finalize the agreement. They have completed the inside of the catering hall in the property and are asking for a temporary Certificate of Occupancy (CO). Upon them becoming the interim redeveloper they simultaneously went to the planning board for site plan approval. In order to finalize both agreements they are required to purchase one of the city properties which have to go before the council for approval. We are asking for them to replenish their escrow and are negotiating an application fee to pay for additional services provided, the purchase of the city property and the phasing schedule for the project. They were sent a notice with outstanding items and advised that until we get the items requested they will not be able to get the Temporary CO to run the catering hall. Their site plan approval allows for them to have the furniture manufacturing in the back of the property and the catering hall on the second floor with the retail across the front which is Phase I. Phase II and III are the old administration building and the office building on First Street.

**Big Apple West**

They have started with their retail development on the corner, they did some demolition on the corner and are building their commercial store front.

### **Two Market Street**

They are going to DEP for approval for the work on their bulkhead and possible subdivision on the parcel. Part of their negotiation is to build a river walk for the City and then give the property back to the City for a public access way.

### **125 South Street**

We finalized their redeveloper's agreement and they paid up and the only outstanding situation is the United Water parcel which we are currently working on. The Assemblyman's office is currently helping us with the process, we have drafted an extension to our current agreement and if they okay the agreement than we will be able to sublet to all the developers on South Street so that the projects can move forward.

### **Patella Woodworking**

Is moving forward, they will be starting their construction on the old Hercules site.

### **217 Brook Avenue**

This is the newest of our projects, we are currently working on designating. The planner is currently doing a feasibility study/ area in need study so that we can designate it, do the plan and have the developer come before the board for designation.

### **Old St. Mary's / Pennington Avenue**

We are not extending because of the discussions on the current redevelopment plan that was submitted versus the feasibility of them being able to complete the project. So we are currently in the middle of negotiating that. Their engineer is supposed to be submitting their proposal for evaluation before it goes to the council. Depending on where they go, we will press them with the interim agreement or you will see an extension.

### **Pennrose**

Pennrose has been de-designated as per the last meeting. We will use the escrow on the account to charge off our expenses and wait for them to ask for the remainder balance.

**VII. CLOSED SESSION ITEMS FOR DISCUSSION**

**CLOSED**

Moved: Arthur Soto  
Seconded: William Diaz  
For: 5 Against: 0 Abstain: 0 Not Present: 1

**OPEN**

Moved: David Spector  
Seconded: William Diaz  
For: 5 Against: 0 Abstain: 0 Not Present: 1

**VIII. Adjournment**

Moved: David Spector  
Seconded: William Diaz  
For: 5 Against: 0 Abstain: 0 Not Present: 1

**Respectfully Submitted,**



**Asenett Martin  
Secretary**