



Atlantic County Improvement Authority
5909 Main Street, 2nd Floor, Mays Landing, N.J. 08330
Phone: 609-645-5838 Fax: 609-645-5813

John C. Lamey, Jr.
Executive Director

MINUTES OF THE BOARD MEETING

August 6, 2014

THE ATLANTIC COUNTY IMPROVEMENT AUTHORITY
5909 Main Street, 2nd Floor
Mays Landing, NJ 08330

In accordance with the provisions of the Open Public Meetings Act (N.J.S.A. 10:4-10) the Regular Board Meeting of the Atlantic County Improvement Authority Board of Commissioners was called to order by Chairperson Foster at 4:05 pm in the 2nd Floor Court Room at the Atlantic County Improvement Authority, 5909 Main Street, Mays Landing, NJ 08330.

COMMISSIONERS IN ATTENDANCE

Roy M. Foster, Chairperson; Joseph Ingemi, Commissioner; Robert Tarby, Sr., Vice Chairperson; Edwin G. Blake, Secretary; Rev. Milton Hendricks, Asst. Secretary; and John Armstrong, Commissioner, attended; Neil McPeak, Treasurer; Don Guardian, Commissioner and Robert Gross, Commissioner, were absent.

STAFF IN ATTENDANCE

John C. Lamey, Jr., Executive Director; Joseph Giraldo, Program Administrator, Lori Riggs, Program Manager and Mily Torres, Senior Accountant

OTHERS IN ATTENDANCE

Randy Lafferty, General ACIA Counsel; and Bonnie Lindaw, County Treasurer

I. OPENING STATEMENT AND ROLL CALL

Chairperson Foster read the Notice of Public Meeting and the roll was called.

II. MINUTES

A. Minutes of the July 2nd, 2014, Board Meeting

The Board was asked to approve the minutes of the July 2nd, 2014, Board Meeting.

A motion was made by Mr. Blake to approve the minutes of the July 2, 2014, Board Meeting, seconded by Mr. Ingemi, By a vote of 6-0 the minutes were approved.

III. FINANCIAL REPORT

A. Financial Report from June 2014

The Board was asked to adopt a resolution approving the Financial Report for June 2014. Mr. Lamey presented the report.

A motion was made by Mr. Tarby to adopt the resolution and seconded by Mr. Ingemi. By a vote of 6-0 the resolution was approved.

IV. EXECUTIVE DIRECTOR'S REPORT

A. AUTHORITY UPDATE

Executive Director Lamey introduced Dianilda Torres (Mily) who was hired to fill the vacant Senior Accountant Position. Mr. Lamey also provided a listing of the current activities being undertaken by the Authority. Program Administrator Joseph Giraldo provided an update on the programs he is responsible for including the County Wide Housing Rehabilitation Program, Atlantic City Housing Rehabilitation, the Sandy Relief Housing Rehabilitation Program for Seniors and Adults with Disabilities as well as the Atlantic County Homebuyers Program and the Atlantic City Homebuyers Program. Year to date through the programs ACIA has provided nearly \$1.2 million assisting 112 Households.

Mr. Ingemi updated the board on the Aviation Logistics activities and 3-D Printing Initiative he has been working on. He has had discussions with the Small Business Development Center, the Atlantic City Library and Atlantic Cape Community College. He mentioned possible funding sources including the Library Foundation and the Kick-Start Program. Mr. Ingemi will continue to explore the issues and continue to advance the project. 3-D Printing will have significant applications to manufacturing in the future and potential for Business Incubator development.

B. CONTRACTS AWARDED- Authorized by Executive Director

There were no contracts authorized by the Executive Director for an amount under the public bidding threshold (\$17,500) as established pursuant to P.L. 1985 Chapter 469.

V. BOARD ACTIONS

A. ADMINISTRATIVE

1. New Position - Assistant Director of Projects

The Board was asked to authorize the creation of the position of Assistant Director of Projects and filling it with Timothy Edmunds at an annual salary of \$70,000.

Executive Director Lamey explained that in June the Authority advertised for the position of Assistant Director of Projects. In accordance with our plan for expansion and the increased level of project management activities we are experiencing, it is appropriate to augment staff at this time. In addition, Jerry Cormier, our current Director of Projects is retiring January 1 and we anticipate that the person that we hire now will be able to move into that position.

Over the last few weeks Mr. Lamey and Mr. Cormier interviewed 6 candidates for the position. They agreed that Tim Edmunds (resume attached) best meets the Authority's needs.

Mr. Lamey discussed the since Mr. Edmunds P.E. license is from Pennsylvania, he could not sign and seal plans. But after much thought and discussing it with Jerry and Legal Counsel that would only become an issue if we were to provide design services. Due to Liability issues and other concerns, we do not think that it is on our best interest to do that. If we get into a situation where it is appropriate we would go outside and procure a consulting engineer to provide those services and assume the liability. But having Tim's background to procure, monitor and review those services would be invaluable. Mr. Edmunds will pursue the Project Manager's Certification. Mr. Tarby pointed out that most public entities go outside for design services because of the potential liability the costs of error and omissions insurance.

Mr. Ingemi requested that we require Mr. Edmunds be certified as a Certified Project Manager.

A motion was made by Mr. Ingemi to adopt the resolution and seconded by Reverend Hendricks. By a vote of 6-0 the resolution was approved.

2. Amendment to the Agreement with Cooper -- Levenson -- LEGAL SERVICES

The Board was asked to amend the agreement with Cooper Levenson for Legal Services to provide an increase of \$7,500.00 in the total not to exceed amount required for costs incurred related to a new project for a new amended contact amount of \$20,000.00.

Executive Director Lamey explained that at the March 12th, 2014 meeting the Board of Commissioners passed a resolution authorizing an agreement with Cooper Levenson for the period of March 1, 2014 through August 31, 2014 in accordance with their proposal for an amount not to exceed \$12,500.00. Through April the Authority incurred \$4,296.25 in costs under the agreement. However, primarily due to unanticipated hours incurred related to the lease and sublease for the Boardwalk Digital Signage Network Project (a new project that was not contemplated at the time of the agreement) the firm's bill for the months of May and June exceeded \$20,000.

Staff with the assistance of County Counsel reviewed the bills to ensure their

reasonableness and accuracy. County Counsel met and the Executive Director discussed, the issue with the firm. Based on the review of the bills and the meeting and discussions with the firm, Cooper Levenson agreed to reduce the bill to \$15,000.

In order to cover that bill we need to amend our contract by \$6,796.25 which would bring the contract up to \$19,296.25. In order to allow for any costs incurred for the balance of the term staff suggested adding an additional \$703.75 which will bring the new amended contract amount to \$20,000.00

A motion was made by Reverend Hendricks to adopt the resolution and seconded by Mr. Blake. By a vote of 6-0 the resolution was approved.

3. Amendment to the Agreement with Youngblood, Franklin, Sampoli & Coombs, P.A.

The Board was asked to amend the agreement with Youngblood, Franklin, Sampoli and Coombs, P.A to provide an additional amount of \$5,000 for actual costs incurred as required to bring the acquisition to conclusion and to extend the date of the agreement through completion of the acquisition.

Executive Director Lamey explained that on March 2, 2014 the Board authorized a contract with Youngblood, Franklin, Sampoli and Coombs, P.A as Special Counsel to provide legal services required for the acquisition of the Barlinvis Apartments for the period of March 1, 2014 to June 30, 2014 for an amount not to exceed \$10,000.00.

James Franklin, the Authority's Legal Representative from the firm provided the following list of items that led to the additional time spent:

- 1) Negotiation of the terms of the agreement which were extensive with multiple revisions and discussion of issues;
- 2) Resolution of the riparian grant issue for which he was able to have the successor to Chelsea Title take responsibility to resolve;
- 3) Need to have the PV CDC corporate documents modified to allow for management outside of Pleasantville;
- 4) Pursuit of the necessary documentation and information which he was requested to undertake;
- 5) The matter of the sale of the tax lien certificate which was disclosed in the Report of Title; and
- 6) Numerous telephone conversations and emails related to all of those items.

Executive Director Lamey said that although the majority of the work has now been accomplished we still have to proceed with closing, await HUD approval of the HAP Contract, make a minor adjustment to the Management Agreement, and obtain HUD approval of the Management Agreement.

A motion was made by Reverend Hendricks to adopt the resolution and seconded by Mr. Ingemi. By a vote of 6-0 the resolution was approved.

B. COMMUNITY DEVELOPMENT

1. Shared Service Agreement – ATLANTIC COUNTY

The Board was asked to authorize the Executive Director to Enter into a Shared Services Agreement with Atlantic County for assistance with Grant Applications for funding for the Homeless through the Continuum of Care.

The Authority currently has in place an agreement with Mullin & Lonergan Associates, for the period of March 1, 2014 to February 28, 2015 for an amount not to exceed \$35,300.00, for Consulting Services related to the Community Development Block Grant and HOME Investment Partnerships Programs. Within that contract the County has reimbursed the authority for nominal costs for limited assistance provided to the County in the Continuum of Care Process.

The County has identified a need for an increased level of technical assistance related to the Continuum of Care Process and the preparation of its Continuum of Care application. Mullin and Lonergan has that expertise and as a matter of convenience the County has requested that we amend our current agreement with Mullin and Lonergan to include the additional services.

By resolution 424 of 2014 the County has agreed to reimburse the additional costs incurred in the contract up to \$12,900.00 to cover the fees proposed by Mullin & Lonergan and any other related fees.

A motion was made by Mr. Blake to adopt the resolution and seconded by Mr. Tarby. By a vote of 6-0 the resolution was approved.

2. Amendment to the 2014 Agreement with Mullin and Lonergan

The Board was asked to amend the agreement with Mullin and Lonergan Associates for an additional \$7,000.00 to provide assistance to the County with the 2014 Continuum of Care Application.

In February 2014 the Board Authorized an agreement Mullin & Lonergan Associates, for the period of March 1, 2014 to February 28, 2015 for an amount not to exceed \$35,000.00, for Consulting Services related to the

Community Development Block Grant and HOME Investment Partnerships Programs. In March of 2014 the Board Authorized an amendment to that agreement for technical assistance related to the Buena Borough Disaster Recovery Grant being administered by the Authority for an additional \$11,200.00.

The County has identified a need for technical assistance related to the Continuum of Care Process and the preparation of its Continuum of Care application. Mullin and Lonergan has that expertise and as a matter of convenience the County has requested that we amend our current agreement with Mullin and Lonergan to include the additional services.

The County has agreed to reimburse the additional costs incurred in the contract up to \$12,900.00 however the current proposal from Mullin & Lonergan is \$7,000.00 by Mullin & Lonergan. The total amended contract is \$53,200.00

A motion was made by Mr. Tarby to adopt the resolution and seconded by Mr. Blake. By a vote of 6-0 the resolution was approved.

3. LFB Application : Atlantic City Homeowner Rehabilitation Program

The Board was asked to approve the submission of an application to the Local Finance Board to utilize an additional \$1,000,000.00 of Luxury Tax Development Funds for the continuation of the Atlantic City Housing Rehabilitation Program.

Mr. Lamey explained that the Local Finance Board approved the program in 2012 and the Authority implemented the program in early 2013. The program is modeled after our County-Wide Program and its purpose is to remove substandard conditions which have a blighting effect on the community and to discourage the spread of blight by encouraging property owners to upgrade and improve their properties.

The program has been quite successful. Since we began in early 2013 we have spent approximately \$850,000 on 37 homes. We have additional applications in the pipeline and would like to go back to the Local Finance Board for approval to use an additional \$1,000,000 of Luxury Tax Development Funds for the program.

The assistance is in the form of a 0% interest deferred loan due at the time the transfer of title. Property owners must demonstrate a need for property rehabilitation and are selected on a first-come, first-serve basis, based on submission of all required documentation. Exceptions will be made for emergency conditions consisting of having no water or no heat or in imminent danger of having no water or no heat.

Eligible activities will include all basic rehabilitation needs of a home, meaning plumbing, heating, electric and roof; plus windows, doors, insulation and exterior repair and painting.

A motion was made by Reverend Hendricks to adopt the resolution and seconded by Mr. Armstrong. By a vote of 6-0 the resolution was approved.

VI. EXECUTIVE SESSION

A motion was made by Mr. Tarby and seconded by Mr. Blake to enter into Executive Session at 4:45 pm to discuss a matter of potential litigation. The Board returned to regular session at 5:05 pm.

BOARD ACTIONS CONTINUED

4. **CRDA Request to Release Reverter Clause – Patsy Wallace Center Atlantic City**

Paul Weiss, CRDA's Counsel presented regarding a request by the CRDA for the Authority to release a reversionary interest that is vested in the Authority regarding Lot 23 Block 336 (commonly known as the Patsy Wallace Center) in the City of Atlantic City. After discussion the Board generally expressed concern that they lacked the requisite information necessary to make an informed decision regarding this request. The Board also expressed an intent not to impede the proposed commercial development of the property. A motion was made by Mr. Blake, seconded by Mr. Armstrong, as follows:

1. The Executive Director is authorized to secure and review the appraisals that were conducted on behalf of the City of Atlantic City and the CRDA in order to insure that the same support the proposed sale of the subject property for \$1M; and
2. Assuming that the Executive Director concludes that the aforesaid appraisals do support the proposed purchase price, that the Authority shall, through its Chairman, enter into an Escrow Agreement with the City of Atlantic City providing for the depositing of the sale proceeds of \$1M into an escrow account pending further investigation into the nature and source of the original acquisition funds for the subject property; and
3. That once the Escrow Agreement has been entered into, the Authority, through its Chairman, shall release its reversionary interest in the subject property and the Chairman and Secretary are authorized to execute any and all such documents to effectuate the same.

The Resolution was unanimously adopted by all members present voting "aye".

VII. OLD BUSINESS

No old business was discussed

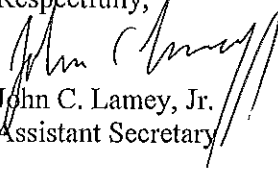
VIII. NEW BUSINESS

No new business was discussed.

X. ADJOURNMENT

A motion was made by Mr. Blake and seconded by Mr. Tarby to adjourn the meeting at 5:28 p.m. All were in favor.

Respectfully,


John C. Lamey, Jr.
Assistant Secretary