



Atlantic County Improvement Authority  
5909 Main Street, 2nd Floor, Mays Landing, N.J. 08330  
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John C. Lamey, Jr.  
Executive Director

## MINUTES OF THE BOARD MEETING

September 17th, 2014

THE ATLANTIC COUNTY IMPROVEMENT AUTHORITY  
5909 Main Street, 2<sup>nd</sup> 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 2<sup>nd</sup> Floor Court Room at the Atlantic County Improvement Authority, 5909 Main Street, Mays Landing, NJ 08330.

### COMMISSIONERS IN ATTENDANCE

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

### STAFF IN ATTENDANCE

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

### OTHERS IN ATTENDANCE

Randy Lafferty, General ACIA Counsel; Howard Kyle, Atlantic County Chief of Staff; 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 August 6th, 2014, Board Meeting

The Board was asked to approve the minutes of the August 6th, 2014, Board Meeting.

A motion was made by Mr. Foster to approve the minutes of the August 6th, 2014, Board Meeting, seconded by Mr. Ingemi. By a vote of 8-0 the minutes were approved.

## III. FINANCIAL REPORT

### A. Financial Report from July 2014

The Board was asked to adopt a resolution approving the Financial Report for June 2014. Executive Director Lamey reported that there were no extraordinary expenses.

A motion was made by Mr. Foster to adopt the resolution and seconded by Mayor Armstrong. By a vote of 8-0 the resolution was approved.

## IV. EXECUTIVE DIRECTOR'S REPORT

### A. AUTHORITY UPDATE

Executive Director Lamey discussed the Request for Proposals that was released Friday for the Atlantic County Economic Development Strategy and Action Plan. He reported that the response date is October 17<sup>th</sup> and it is anticipated that staff will have a recommendation for award at the November Board meeting.

A discussion ensued regarding the process. Mayor Armstrong inquired about the efforts that are being made to identify potential responders and pointed out that the importance of making sure the respondents include those that have the experience with communities that were in similar situations as Atlantic County and were instrumental in turning those communities around. Mr. Lamey pointed out that the process included advertising locally, an e-mail blast in four weeks of the International Economic Development Council's weekly newsletter, sending the announcement to a list of 40 consultants provided by the International Council of Economic Development and a list of qualified consultants provided by our grant consultant. So far we responded to 22 requests for the full RFP. The response must include samples of plans that the responder has completed for other communities. Mayor Armstrong asked about the selection process and emphasized the importance of including stakeholders in the process.

Mr. Ingemi pointed out that the end result must be a living document that will give us the flexibility to adapt to opportunities as we move forward. Mayor Guardian emphasized that there needs to be conversations with the state and coordination with the updated plan for Atlantic City. Mayor Armstrong suggested that the Board or a committee of the Board participate in the review of the proposals.

**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. Patsy Wallace Center Reversionary Clause**

The Board was asked to authorize the release of the Authority's reversionary interest in Block 336, Lot 23 in the City of Atlantic City also known as the Patsy Wallace Center.

Because the issue involves the City of Atlantic City Mayor Guardian recused himself and did not participate in the discussion or vote.

Executive Director Lamey provided a summary of the issue and the current status. At the August 6, meeting the Board passed a resolution authorizing the release of the reversionary interest if the proceeds from the sale were put into escrow until it was determined how they would be distributed. The city requested that we reconsider that position.

Mr. Lamey pointed out that releasing the reverter clause would facilitate the development of at least two retail projects including a major national restaurant on this particular site and CRDA's Market Place on another site owned by the developer. In addition the developer is close to bring two other national restaurant/retail stores to the City. Given the current state of the economy, the tremendous number of jobs lost as a result of three casino closures; the jobs and investment that would be generated by these projects are important to the region. He further pointed out that given the expanded Economic Development mission of the Authority it is in our best interest to move this initiative forward. We are developing a working relationship with the city with the Boardwalk Matrix Project, their recent resolution to give ACIA development authority over a number of vacant parcels in the city, current negotiations regarding the demolition program and favorable discussions regarding the redevelopment of Gardner's Basin. In discussions facilitated by Chairman Foster the City agreed to give us the right to 50% of the proceeds on another city owned property when it is sold as consideration for releasing the waiver.

Mr. Lafferty provided some additional background and information regarding complications that have arisen due to procedural questions regarding an InRem foreclosure that the City executed in 1984. He further discussed the difficulty in determining what the value of the reverter is. Mayor Armstrong said that when the Board acted last month it did so with the objective of not holding up the sale. He went on to say that the proceeds of the sale could be used for the Economic Development initiative for the rest of the County.

Mr. McPeak emphasized that the danger is that the developer and project will go away. The risk is that we hold the hard line and the project does not happen and then the Improvement

Authority could be painted with the brush of creating a speed bump and the reason why the project with its jobs and investment did not happen. The first project itself will bring 140 jobs and ACIA has the opportunity to become the impetus for it happening. At this juncture the City needs something positive to encourage further investment. We are at a critical point where we need some positive news.

Mr. Ingemi said he looks at it as an opportunity to further our mission of Economic Development. Mr. Foster explained that the risk is not worth the project not happening. He also reinforced the fact that Atlantic City is working with us on other projects such as Gardner's Basin and moving this forward will foster our relationship.

A motion was made by Mr. Ingemi to adopt the resolution and seconded by Mr. Gross. By a vote of 6-1 with the resolution was approved; Mr. Foster, Mr. Tarby, Mr., McPeak, Mr. Blake, Mr. Ingemi, Mr. Gross voted yes; Mayor Armstrong voted no; Mayor Guardian did not vote.

At 4:47 PM Mr. Blake excused himself.

## **2. Shared Services Agreement with Atlantic County**

The Board was asked to authorize a shared services agreement with Atlantic County to provide the resources necessary for the Authority to implement the activities identified and subsequently expanded on in the May 7<sup>th</sup>, 2014 Atlantic County Improvement Authority Economic Development and Redevelopment Initiative Action Plan.

Executive Director Lamey discussed the elements of the budget and the plan as specified in the attachment to the resolution. The specific budgeted figures include anticipated expenditures through December 31, 2015 for 1) the Economic Development Strategy and Action Plan, Staff Augmentation, the Redevelopment Program and the Atlantic City Demolition Program. The balance of funds would in reserve to be drawn upon to fund approved activities as needed for Provide a local share to leverage Public and Private investment, Provide seed money for new projects and activities, Provide for additional augmentation of capacity as required, Support additional incurred overhead costs and any approved Funds retained by the County for the effort.

A brief discussion ensued.

A motion was made by Mayor Armstrong to adopt the resolution and seconded by Mr. Ingemi. By a vote of 7-0 the resolution was approved.

## **3. New Position - Director of Economic Development**

The Board was asked to authorize the creation of and filling of the position of Director of Economic Development in accordance with the May 7<sup>th</sup>, 2014 Atlantic County Improvement Authority Economic Development and Redevelopment Initiative Action Plan.

Executive Director Lamey informed the Board that the Authority advertised the position and received a number of applicants. After review of the resumes and a series of interviews we were not satisfied with the pool of applicants. The respondents that were local did not have an economic development background and those that had the background are from outside of the area and well out of our salary range.

We were subsequently contacted by Gerald Maximilian Slusher, former economist for Atlantic County, and he expressed an interest in exploring the position. Upon review of his background and personal familiarity with his work product it was decided to interview him. County Chief of Staff Howard Kyle, Commissioner Blake and Executive Director Lamey conducted the interview.

Based on the interview, Mr. Slusher's educational background, work experience and familiarity with the area all three members of the interview committee recommended Mr. Slusher for the position at a starting salary of \$99,000 per year. Mr. Blake's recommendation letter was attached to the resolution.

A motion was made by Mayor Armstrong to adopt the resolution and seconded by Mr. Ingemi. By a vote of 7-0 the resolution was approved.

#### 4. Legal Services

The Board was asked to authorize an agreement with Cooper Levenson Attorneys at Law for legal services for the period of September 1, 2014 to through February 28, 2015 for an amount not to exceed \$17,000.00 with the option to renew each year for two additional years.

Executive Director Lamey informed the Board the On August 14, 2014, the Authority advertised an RFP for firms to submit qualifications and proposals for the provision of Legal Services for the period of September 1, 2014 to February 28, 2014. In response, on August 27, the Authority received proposals from Cooper Levenson Attorneys At Law and Youngblood, Franklin, Sampoli and Coombs, P.A. The Authority has experience with both forms and they are currently engaged on separate issues.

A committee consisting of Chairman Foster, Mr. Blake and Mr. Ingemi reviewed the proposals and considered the past and current experience with each firm. Based on the evaluation of the experience, capabilities, fee proposal and level of service proposed by each, consideration of past experience with Lead Counsel proposed by both firms the evaluation committee provided a recommendation to the full Board of Commissioners that authorizes the Executive Director to execute an agreement with Cooper Levenson Attorneys At Law with Randolph C. Lafferty as Lead Counsel for the period from September 1, 2014 to February 28, 2015 for a fee not to exceed \$17,000 with two consecutive options to renew for one year periods in accordance with their proposal.

Mayor Guardian asked what would happen if the Improvement Authority, in attempt to attract projects or developer, was involved in a negotiations or discussions with a client of

Cooper Levenson's. Mr. Lafferty responded that the Authority would need to appoint conflict counsel for that issue.

A motion was made by Mr. Ingemi to adopt the resolution and seconded by Mr. McPeak. By a vote of 7-0 the resolution was approved.

## B. FINANCE

### 1. Bond Counsel/Redevelopment Counsel Pool

The Board was asked to approve a resolution designating a pool of firms from which the Executive Director will select one through a competitive process to provide services as the primary legal representative of the Authority in individual matters relating to the issuance of public debt instruments including bonds and bond anticipation notes and redevelopment issues for the period of one year from September 1, 2014 to August 31, 2015 with an option to renew yearly for two years.

Mr. Lamey explained that on August 27th, 2014 the Authority received four responses to the Request for Qualifications/Proposals issued by the Authority from the following firms: Fleishman Daniels Law Offices LLC; McManimon, Scotland, & Baumann LLC; Kraft and Capizzi Attorneys at Law; and Archer Greiner P.C. to provide those services for one year with an option to renew for two successive years; and

All of the respondents were deemed qualified and their fee proposals demonstrated various comparative advantages and disadvantages depending on the type of debt issued and services required. Staff suggested appointing a pool of these qualified firms from which the Authority could draw for a specific issue as it arose.

Mr. Lamey further stated that the Authority is subject to the requirements of Atlantic County Pay to Play Ordinance #10 which prohibits the Authority from entering into agreements with firms that make political contributions in excess of certain limits. He also noted that there is currently a final determination pending on a challenge to a political contribution from a firm providing professional services to the County in another matter that if upheld would also result in the ineligibility of Archer Greiner LLC based on the Political Contribution form included with their proposal.

Staff recommended that the Board authorize the appointment of a pool of firms consisting of from Fleishman Daniels Law Offices LLC; McManimon, Scotland, & Baumann LLC; Kraft and Capizzi Attorneys at Law from which the Authority would have the ability select a firm which was best suited for a particular issue and the needs of the Authority related to that issue based on the aforementioned criteria for the period of September 1st, 2014 to August 31st, 2015 and staff further recommended that if it is determined in the aforementioned challenge that the listed contribution in the proposal by Archer Greiner LLC does not violate Pay to Play Ordinance #10 that they be added to the pool at that time.

A motion was made by Mr. Ingemi to adopt the resolution and seconded by Mr. McPeak. By a vote of 7-0 the resolution was approved.

## 2. Financial Advisor Agreement

The Board was asked to approve a resolution authorizing the Executive Director to execute an agreement with NW Financial Group, LLC to provide Financial Advisory services to the Authority as it relates to its issuance of public debt instruments including bonds and bond anticipation notes of the Authority for the period of one year from September 1, 2014 to August 31, 2015 with an option to renew yearly for two years.

Executive Director Lamey stated that on September 27th, 2014 the Authority received three responses to the Request for Qualifications issued by the Authority from the following firms to provide those services for the period of September 1st, 2014 through August 31st, 2015, with the option to renew for two successive years from Phoenix Advisors, Acacia Financial Group and NW Financial. The proposal submitted by Phoenix Advisors was incomplete and did not include the required political disclosure form and Acacia Financial currently serves as financial advisor for Atlantic County which could present conflicts if the Authority moves forward with certain financings with the participation of Atlantic County.

Staff reviewed the proposal from NW Financial and recommended the award to them in accordance with the proposed fee schedule based on the depth and combined experience of the members of the firm, their extensive and diversified experience with Improvement Authorities throughout the state and their knowledge of Atlantic County.

A motion was made by Mr. Ingemi to adopt the resolution and seconded by Mr. McPeak. By a vote of 7-0 the resolution was approved.

## C. COMMUNITY DEVELOPMENT

### 1. CHDO Agreements

The Board was asked to approve the two resolutions authorizing the Executive Director to amend existing agreements with the Pleasantville Housing and Redevelopment Corporation a Community Housing Development Organization (CHDOs) to clarify the budgeted line item expenditures in accordance with program requirements and to reserve and commit additional available CHDO set aside funds from the HOME Investment Partnership Program for eligible activities.

#### a. February 16<sup>th</sup>, 2011 Agreement

The Board was asked to authorize the Executive Director to amend the February 16<sup>th</sup>, 2011 CHDO Agreement with the Pleasantville Housing and Redevelopment Corporation to clarify line item expenditures to accurately reflect the allocation of funds provided for Homebuyer Assistance and Developer Subsidy.

Executive Director Lamey explained the amendments and the need to clarify

them in accordance with the requirements of the US Department of Housing and Urban Development.

A motion was made by Mr. Tarby to adopt the resolution and seconded by Mayor Armstrong. By a vote of 7-0 the resolution was approved.

b. September 14<sup>th</sup>, 2011 Agreement

The Board was asked to authorize the Executive Director to amend the September 14<sup>th</sup>, 2011 agreement with the Pleasantville Housing and Redevelopment Corporation for the Authority to clarify existing line item expenditures to accurately reflect the allocation of funds provided for Homebuyer Assistance and Developer Subsidy and to reserve and commit additional available CHDO Set-Aside funds from the HOME Investment Partnership Program for the development of housing in accordance with program requirements.

Executive Director Lamey explained the amendments and the need to clarify them in accordance with the requirements of the US Department of Housing and Urban Development.

In addition the PHRC has requested \$94,786.56 in additional funds bringing the total amount requested to \$214,786 to fund additional eligible activities. The amendment will provide those additional funds.

A motion was made by Mr. Ingemi to adopt the resolution and seconded by Mr. Gross. By a vote of 7-0 the resolution was approved.

## VI. OTHER BUSINESS

Mr. Ingemi updated the Board on discussions that he and Executive Director Lamey had with a certain company regarding the application of UAVs to required maintenance and the potential applications for monitoring area projects such as the windmills proposed by Fisherman's Energy. He also recommended that based on discussions with the Port Authority of NY/NJ personnel working at Atlantic City International Airport an Air Cargo Study be funded. He thanked Mayor Guardian for the Atlantic City Library's help with the 3-D Printing project that he facilitated and announced that it is up and running at the Hammonton Library. He also discussed his white paper regarding economic development and the importance of the aviation component and a business incubator at the Aviation Park in particular.

Mayor Guardian discussed the importance of the transportation infrastructure at the airport to cargo carriers and the need to cut 14 minutes off of the time it takes to exit the airport board to get to the major arteries.



VII. EXECUTIVE SESSION

No executive session was required

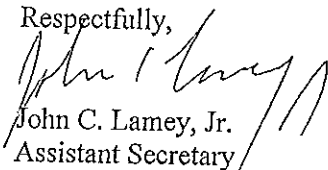
VIII. PUBLIC COMMENTS

There were no Public Comments

IX. ADJOURNMENT

A motion was made by Mr. Tarby and seconded by Mr. Foster to adjourn the meeting at 5:37 p.m. All were in favor.

Respectfully,

  
John C. Lamey, Jr.  
Assistant Secretary