

HUDSON COUNTY IMPROVEMENT AUTHORITY

IN THE MATTER OF : TRANSCRIPT OF
THE REGULAR MONTHLY MEETING : PROCEEDINGS

WEDNESDAY, OCTOBER 9, 2019
830 BERGEN AVENUE, 9TH FLOOR
JERSEY CITY, NEW JERSEY

BOARD MEMBERS:

FRANK PESTANA, CHAIRMAN
JAMES DORAN, VICE CHAIRMAN
NICHOLAS GOLDSACK, TREASURER
FRANK LORENZO, SECRETARY
FRED H. BADO, COMMISSIONER
BRIAN DELLABELLA, COMMISSIONER
JEFFREY DUBLIN, COMMISSIONER
MARTIN T. MARTINETTI, COMMISSIONER
JOHN PENEDA, COMMISSIONER

APPEARANCES:

KURT CHERRY, EXECUTIVE DIRECTOR/CFO
WILLIAM J. NETCHERT, GENERAL COUNSEL
ELIZABETH RAMOS, ASSISTANT SECRETARY TO
THE BOARD

R.J. O'CONNELL ASSOCIATES
P.O. BOX 277
CEDAR GROVE, NEW JERSEY 07009
(973) 239-7252

R.J. O'CONNELL ASSOCIATES, INC. (973) 239-7252

(The meeting commences at 5:33 p.m.)
CHAIRMAN PESTANA: We'll call the
meeting to order. Everyone please rise to salute
the flag.

(The Pledge of Allegiance is recited.)

CHAIRMAN PESTANA: Call the roll.

MS. RAMOS: Commissioner Bado.

COMMISSIONER BADO: Present.

MS. RAMOS: Commissioner Dellabella.

COMMISSIONER DELLABELLA: Here.

MS. RAMOS: Commissioner Doran.

COMMISSIONER DORAN: Here.

MS. RAMOS: Commissioner Dublin.

COMMISSIONER DUBLIN: Here.

MS. RAMOS: Commissioner Goldsack.

COMMISSIONER GOLDSACK: Here.

MS. RAMOS: Commissioner Lorenzo.

COMMISSIONER LORENZO: Here.

MS. RAMOS: Commissioner Martinetti.

COMMISSIONER MARTINETTI: Here.

MS. RAMOS: Commissioner Peneda.

COMMISSIONER PENEDA: Here.

MS. RAMOS: Chairman Pestana.

CHAIRMAN PESTANA: Here.

MS. RAMOS: Mr. Chairman, we have a

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ALSO PRESENT:

MARY-ELLEN GILPIN, HCIA
MICHAEL O'CONNOR, HCIA
MICHAEL COMBA, HOBOKEN STRATEGY GROUP
JAY DIDOMENICO, Director of Hudson TMA
CAITLYN MOTA, Vision Media

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quorum with nine board members present.
CHAIRMAN PESTANA: Mr. Netchert.
MR. NETCHERT: Yes, Mr. Chairman, this
is a public meeting and notice of tonight's
meeting was forwarded to both The Jersey Journal
and The Star-Ledger for publication in those
respective newspapers on February 14th, 2019.
Notice was also forwarded to the Clerk of the
County of Hudson and the Clerk of the Hudson
County Board of Freeholders for posting on their
respective bulletin boards. Notice was also
posted outside of this meeting room on the
bulletin board outside of this meeting room and
was posted on the Authority's website as well.
These notices are all in compliance with the
requirements of Open Public Meetings Act.

CHAIRMAN PESTANA: Thank you.

At this time, we'll call for approval of
the minutes from the September 18th meeting.

COMMISSIONER GOLDSACK: Motion.

COMMISSIONER DUBLIN: Second.

CHAIRMAN PESTANA: Motion by
Commissioner Goldsack, second by Commissioner
Dublin.

MS. RAMOS: Commissioner Bado.

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1 COMMISSIONER BADO: Present.
 2 MS. RAMOS: Commissioner Dellabella.
 3 COMMISSIONER DELLABELLA: Yes.
 4 MS. RAMOS: Commissioner Doran.
 5 COMMISSIONER DORAN: Yes.
 6 MS. RAMOS: Commissioner Dublin.
 7 COMMISSIONER DUBLIN: Yes.
 8 MS. RAMOS: Commissioner Goldsack.
 9 COMMISSIONER GOLDSACK: Yes.
 10 MS. RAMOS: Commissioner Lorenzo.
 11 COMMISSIONER LORENZO: Yes.
 12 MS. RAMOS: Commissioner Martinetti.
 13 COMMISSIONER MARTINETTI: Yes.
 14 MS. RAMOS: Commissioner Peneda.
 15 COMMISSIONER PENEDA: Abstain.
 16 CHAIRMAN PESTANA: Yes.
 17 MS. RAMOS: The minutes of September 18,
 18 2019, regular board meeting are approved eight
 19 board members voting yes and one abstention.
 20 CHAIRMAN PESTANA: At this time, we'll
 21 take comments from the public. Seeing none,
 22 public portion is now closed.
 23 MR. CHERRY: Resolution Number 10-2019-4
 24 of the Hudson County Improvement Authority
 25 authorizing payment of certain costs and expenses
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1 of the Authority for the month of October 2019.
 2 In addition to your bill list, there is also an
 3 addendum that is in front of you.
 4 CHAIRMAN PESTANA: Motion to pay the
 5 bills?
 6 COMMISSIONER DELLABELLA: Motion.
 7 COMMISSIONER DORAN: Second.
 8 CHAIRMAN PESTANA: Motion by
 9 Commissioner Dellabella, second by Commissioner
 10 Doran.
 11 MS. RAMOS: Commissioner Bado.
 12 COMMISSIONER BADO: Yes.
 13 MS. RAMOS: Commissioner Dellabella.
 14 COMMISSIONER DELLABELLA: Yes.
 15 MS. RAMOS: Commissioner Doran.
 16 COMMISSIONER DORAN: Yes.
 17 MS. RAMOS: Commissioner Dublin.
 18 COMMISSIONER DUBLIN: Yes.
 19 MS. RAMOS: Commissioner Goldsack.
 20 COMMISSIONER GOLDSACK: Yes.
 21 MS. RAMOS: Commissioner Lorenzo.
 22 COMMISSIONER LORENZO: Yes.
 23 MS. RAMOS: Commissioner Martinetti.
 24 COMMISSIONER MARTINETTI: Yes.
 25 MS. RAMOS: Commissioner Peneda.
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1 COMMISSIONER PENEDA: Yes.
 2 MS. RAMOS: Chairman Pestana.
 3 CHAIRMAN PESTANA: Yes.
 4 MS. RAMOS: Resolution Number 10-2019-4
 5 passes, as amended, nine board members voting yes.
 6 MR. CHERRY: Resolution number 10-2019-5
 7 of the Hudson County Improvement Authority
 8 authorizing the extension of a contract for
 9 collection transportation and disposal of
 10 household hazardous waste generated within Hudson
 11 County. This resolution authorizes a one-year
 12 extension to an existing contract for disposal of
 13 household hazardous waste. If you have any
 14 questions, Mary Ellen Gilpin is here to answer
 15 those.
 16 CHAIRMAN PESTANA: So we're just going
 17 to go with the extension rather than go out to
 18 bid?
 19 MS. GILPIN: There's -- the amount of
 20 their contract covered -- can cover another year
 21 at least. We have not had a significant increase
 22 in number of cars that have participated, as well
 23 as knowing that the pay care bill is still in flux
 24 and everything will change, if and when that
 25 passes. So if we can extend it and continue with
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1 this year with the present contractor, I think
 2 we'll be much better off. The price was right
 3 last year.
 4 CHAIRMAN PESTANA: All right, good.
 5 Anybody have any other questions?
 6 COMMISSIONER PENEDA: I'll make the
 7 motion.
 8 COMMISSIONER DELLABELLA: I'll second
 9 it.
 10 CHAIRMAN PESTANA: Motion by
 11 Commissioner Peneda and a second by Commissioner
 12 Dellabella.
 13 MS. RAMOS: Commissioner Bado.
 14 COMMISSIONER BADO: Yes.
 15 MS. RAMOS: Commissioner Dellabella.
 16 COMMISSIONER DELLABELLA: Yes.
 17 MS. RAMOS: Commissioner Doran.
 18 COMMISSIONER DORAN: Yes.
 19 MS. RAMOS: Commissioner Dublin.
 20 COMMISSIONER DUBLIN: Yes.
 21 MS. RAMOS: Commissioner Goldsack.
 22 COMMISSIONER GOLDSACK: Yes.
 23 MS. RAMOS: Commissioner Lorenzo.
 24 COMMISSIONER LORENZO: Yes.
 25 MS. RAMOS: Commissioner Martinetti.
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1 COMMISSIONER MARTINETTI: Yes.
 2 MS. RAMOS: Commissioner Peneda.
 3 COMMISSIONER PENEDA: Yes.
 4 MS. RAMOS: Chairman Pestana.
 5 CHAIRMAN PESTANA: Yes.
 6 MS. RAMOS: Resolution No. 10-2019-5
 7 passes in the affirmative, nine board members
 8 voting yes.
 9 MR. CHERRY: Resolution number 10-2019-6
 10 of the Hudson County Improvement Authority
 11 authorizing the execution of a memorandum of
 12 understanding by and between the Hudson County
 13 Improvement Authority and the Jersey City Housing
 14 Authority senior citizen document shredding. The
 15 Jersey City Housing Authority has requested that
 16 the authority enter into a memorandum of
 17 understanding for senior citizen document
 18 shredding at the Thomas J. Stewart Apartments,
 19 Curries Woods Apartments, and Berry Gardens
 20 Apartments.
 21 If you have any questions -- this is the
 22 first year, but for whatever reason they've
 23 requested this. And Mary Ellen can also answer
 24 any questions.
 25 CHAIRMAN PESTANA: Any questions? Any
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1 motions?
 2 COMMISSIONER DORAN: You mean this is
 3 the shredding?
 4 MS. GILPIN: This is the first year
 5 we're doing senior shredding at their individual
 6 buildings. And we're scheduled in North Bergen,
 7 Bayonne, and Jersey City so far. And Jersey City
 8 is the only one that's requested an MOU.
 9 COMMISSIONER DORAN: Is there any
 10 difference between senior shredding and non-senior
 11 shredding?
 12 MS. GILPIN: Well, yes. The only
 13 difference is that we're going to go to the
 14 apartment buildings and collect there.
 15 COMMISSIONER DORAN: Okay. As opposed
 16 to which, seniors would have trouble carrying
 17 heavy containers. So it encourages more
 18 recycling?
 19 MS. GILPIN: Much more. And seniors are
 20 the most targeted group for identity theft, so
 21 that's why we decided we would try it.
 22 COMMISSIONER DORAN: Good idea.
 23 CHAIRMAN PESTANA: I just want to note
 24 that the shredding in North Bergen, I got good
 25 reports on that. They were very happy with it.
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1 MS. GILPIN: Everybody is very happy.
 2 CHAIRMAN PESTANA: They picked the stuff
 3 up from the car and took to the shredder.
 4 MS. GILPIN: Everybody loves the
 5 shredding events.
 6 MR. NETCHERT: We take whatever they
 7 bring us.
 8 CHAIRMAN PESTANA: Can I have a motion?
 9 COMMISSIONER DELLABELLA: Motion.
 10 CHAIRMAN PESTANA: Motion by
 11 Commissioner Dellabella.
 12 COMMISSIONER DORAN: Second.
 13 CHAIRMAN PESTANA: Second by
 14 Commissioner Doran.
 15 MS. RAMOS: Commissioner Bado.
 16 COMMISSIONER BADO: Yes.
 17 MS. RAMOS: Commissioner Dellabella.
 18 COMMISSIONER DELLABELLA: Yes.
 19 MS. RAMOS: Commissioner Doran.
 20 COMMISSIONER DORAN: Yes.
 21 MS. RAMOS: Commissioner Dublin.
 22 COMMISSIONER DUBLIN: Yes.
 23 MS. RAMOS: Commissioner Goldsack.
 24 COMMISSIONER GOLDSACK: Yes.
 25 MS. RAMOS: Commissioner Lorenzo.
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1 COMMISSIONER LORENZO: Yes.
 2 MS. RAMOS: Commissioner Martinetti.
 3 COMMISSIONER MARTINETTI: Yes.
 4 MS. RAMOS: Commissioner Peneda.
 5 COMMISSIONER PENEDA: Yes.
 6 MS. RAMOS: Chairman Pestana.
 7 CHAIRMAN PESTANA: Yes.
 8 MS. RAMOS: Resolution Number 10-2019-6
 9 passes in the affirmative, nine board members
 10 voting yes.
 11 MR. CHERRY: Resolution Number 10-2019-7
 12 of the Hudson County Improvement Authority
 13 authorizing the purchase of property and casualty
 14 insurance through Scirocco Financial Group, Inc.
 15 This resolution is for the renewal of the
 16 Authority's property and casualty insurance with
 17 comparison of the premiums for 2018-19 to
 18 2019-2020 is attached, in addition to a
 19 certification from Norman Guerra. The premiums
 20 for the 2019-2020 is almost \$2,000 less than
 21 2018-2019.
 22 CHAIRMAN PESTANA: Any questions? Any
 23 motions?
 24 COMMISSIONER PENEDA: Make a motion.
 25 CHAIRMAN PESTANA: Motion by
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1 Commissioner Peneda.
 2 MS. RAMOS: Commissioner Bado.
 3 COMMISSIONER BADO: Yes.
 4 MS. RAMOS: Commissioner Dellabella.
 5 COMMISSIONER DELLABELLA: Yes.
 6 MS. RAMOS: Commissioner Doran.
 7 COMMISSIONER DORAN: Yes.
 8 MS. RAMOS: Commissioner Dublin.
 9 COMMISSIONER DUBLIN: Yes.
 10 MS. RAMOS: Commissioner Goldsack.
 11 COMMISSIONER GOLDSACK: Yes.
 12 MS. RAMOS: Commissioner Lorenzo.
 13 COMMISSIONER LORENZO: Yes.
 14 MS. RAMOS: Commissioner Martinetti.
 15 COMMISSIONER MARTINETTI: Yes.
 16 MS. RAMOS: Commissioner Peneda.
 17 COMMISSIONER PENEDA: Yes.
 18 MS. RAMOS: Chairman Pestana.
 19 CHAIRMAN PESTANA: Yes.
 20 MS. RAMOS: Resolution 10-2019-7 passes
 21 in the affirmative, nine board members voting yes.
 22 MR. CHERRY: Resolution 10-2019-8 of the
 23 Hudson County Improvement Authority concerning
 24 review of findings of the Local Finance Board made
 25 at a meeting of said board on August 14, 2019, in
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1 accordance with the provisions of N.J.S.A.
 2 40A:5A-7 with respect to the issuance of county
 3 guaranteed lease revenue bonds, series 2019 Casino
 4 in the Park project.
 5 On August 14th, I appeared before the
 6 Local Finance Board for an application regarding
 7 the bonds to be issued for the Casino in the Park.
 8 This resolution is to certify that you have
 9 reviewed the findings and there will be an
 10 affidavit that will be circulated, just a little
 11 later. The findings that the finance board had
 12 was that they were positive findings for the
 13 project.
 14 CHAIRMAN PESTANA: Questions? Any
 15 motions?
 16 COMMISSIONER GOLDSACK: Motion.
 17 CHAIRMAN PESTANA: Motion by
 18 Commissioner Goldsack.
 19 COMMISSIONER DELLABELLA: Second.
 20 CHAIRMAN PESTANA: Second by
 21 Commissioner Dellabella.
 22 MS. RAMOS: Commissioner Bado.
 23 COMMISSIONER BADO: Yes.
 24 MS. RAMOS: Commissioner Dellabella.
 25 COMMISSIONER DELLABELLA: Yes.
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1 MS. RAMOS: Commissioner Doran.
 2 COMMISSIONER DORAN: Yes.
 3 MS. RAMOS: Commissioner Dublin.
 4 COMMISSIONER DUBLIN: Yes.
 5 MS. RAMOS: Commissioner Goldsack.
 6 COMMISSIONER GOLDSACK: Yes.
 7 MS. RAMOS: Commissioner Lorenzo.
 8 COMMISSIONER LORENZO: Yes.
 9 MS. RAMOS: Commissioner Martinetti.
 10 COMMISSIONER MARTINETTI: Yes.
 11 MS. RAMOS: Commissioner Peneda.
 12 COMMISSIONER PENEDA: Yes.
 13 MS. RAMOS: Chairman Pestana.
 14 CHAIRMAN PESTANA: Yes.
 15 MS. RAMOS: Resolution 10-2019-8 passes
 16 in the affirmative, nine board members voting yes.
 17 MR. CHERRY: Resolution number 10-2019-9
 18 authorizing the execution of a license agreement
 19 by and between the Hudson County Improvement
 20 Authority Frank Castella and GZA Geo
 21 Environmental, Inc., relating to access to real
 22 property at 108 Vroom Street, Jersey City, New
 23 Jersey. Frank Castella is owner of the property
 24 on 800 and 854 Bergen Avenue and is responsible to
 25 remediate certain contamination. The resolution
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1 is to allow a ground monitoring well at 108 Vroom
 2 Street, which is owned by the Authority. If you
 3 have any questions, Michael O'Connor will be here
 4 to answer them.
 5 COMMISSIONER DORAN: Is that a
 6 residence?
 7 MR. O'CONNOR: No. So there was a dry
 8 cleaner mid-block on Bergen Avenue 30, 40 years
 9 ago. And, as is common with dry cleaners, the
 10 solvents that they used, they kept in tanks in the
 11 ground and they may have leaked, so he's
 12 delineating that. So the parking lot across -- on
 13 Vroom Street, across from us, which the Authority
 14 is the title owner of actually, they need to sink
 15 wells to delineate it. There's houses between our
 16 parking lot and his property, so he's trying to --
 17 they're trying to delineate how far the bloom of
 18 solvents has gone over I think 30, 40 years.
 19 So it's an access agreement, it's been
 20 approved by our environmental engineer, myself,
 21 Bill, and our environmental lawyers. So it's
 22 really a pro forma document.
 23 CHAIRMAN PESTANA: Any other questions?
 24 Any motions?
 25 COMMISSIONER DELLABELLA: Motion.
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1 CHAIRMAN PESTANA: Motion by
 2 Commissioner Dellabella.
 3 COMMISSIONER GOLDSACK: Second.
 4 CHAIRMAN PESTANA: Second by
 5 commissioner Goldsack.
 6 MS. RAMOS: Commissioner Bado.
 7 COMMISSIONER BADO: Yes.
 8 MS. RAMOS: Commissioner Dellabella.
 9 COMMISSIONER DELLABELLA: Yes.
 10 MS. RAMOS: Commissioner Doran.
 11 COMMISSIONER DORAN: Yes.
 12 MS. RAMOS: Commissioner Dublin.
 13 COMMISSIONER DUBLIN: Yes.
 14 MS. RAMOS: Commissioner Goldsack.
 15 COMMISSIONER GOLDSACK: Yes.
 16 MS. RAMOS: Commissioner Lorenzo.
 17 COMMISSIONER LORENZO: Yes.
 18 MS. RAMOS: Commissioner Martinetti.
 19 COMMISSIONER MARTINETTI: Yes.
 20 MS. RAMOS: Commissioner Peneda.
 21 COMMISSIONER PENEDA: Yes.
 22 MS. RAMOS: Chairman Pestana.
 23 CHAIRMAN PESTANA: Yes.
 24 MS. RAMOS: Resolution 10-2019-9 passes
 25 in the affirmative, nine board members voting yes.
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1 MR. CHERRY: Resolution number
 2 10-2019-10 of the Hudson County Improvement
 3 Authority authorizing execution of a sublease
 4 agreement with Casino Lincoln Park, LLC, regarding
 5 Casino in the Park. This resolution authorizes
 6 the execution of a sublease for Casino in the Park
 7 between the Authority and the operator of the
 8 Casino in the Park. I'm going to ask Mike
 9 O'Connor, if he will, to give you a topside
 10 executive summary of this lease.
 11 MR. O'CONNOR: So as you may recall, the
 12 Authority authorized or designated, actually,
 13 landmark as the chosen respondent. And we've been
 14 negotiating a lease with Landmark. And we have
 15 that lease in substantial form, hasn't been
 16 executed yet, there's some minor issues that need
 17 to be resolved. But the terms essentially are as
 18 they appear. And we handed out copies of the
 19 lease for reference as an attachment to the
 20 resolution.
 21 So hopefully the lease gets finally
 22 signed soon and the work gets started. I think it
 23 will be coming back to you, I believe, in November
 24 for authorizing a contract for demolition of the
 25 facility, which is part of the process in moving
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1 forward to getting the project rebuilt.
 2 COMMISSIONER DORAN: So that's connected
 3 to the 7.5 million bonds?
 4 MR. O'CONNOR: Yeah, the 7.5 million,
 5 the demolition costs will come out of that bond.
 6 And then the -- our lease with the county, which
 7 has already been done and executed and authorized
 8 by the board, our lease with the county, it's a
 9 two-way lease with the county, between us and the
 10 county, not the sublease with Landmark.
 11 But because of this 7.5 million dollar
 12 debt over a 30-year period, the county is
 13 obligated to provide the funds to pay that bond on
 14 a yearly basis, so. And then the proceeds we get
 15 from the lease payments from Landmark, we will
 16 hand back to the county. So in no case is there
 17 going to be a situation where the Improvement
 18 Authority, for some reason the lease payments
 19 don't meet what the obligation is on the bond, the
 20 county is essentially, as a mechanism, providing
 21 the funds straight up to pay that bond.
 22 COMMISSIONER DORAN: What the seven and
 23 a half, are we knocking it down and building a new
 24 place?
 25 MR. O'CONNOR: Well, the seven and a
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1 half is demolition costs, there were soft costs
 2 that the county and the Authority incurred. If
 3 you recall, we went out and we previously had an
 4 RFP for the facility and it didn't go anywhere.
 5 So there's soft costs that the county and the
 6 Authority has incurred already, there's demolition
 7 costs.
 8 COMMISSIONER DORAN: When you say
 9 demolition, what are you knocking down?
 10 MR. O'CONNOR: The building.
 11 MR. NETCHERT: The answer is --
 12 COMMISSIONER DORAN: You're saying
 13 demolition, are you knocking --
 14 MR. O'CONNOR: No, we're taking the
 15 whole building down. I apologize, I've answered
 16 this so many times -- not with you guys, with
 17 other people, I go through the whole spiel.
 18 COMMISSIONER DORAN: So it's going to be
 19 a new facility?
 20 MR. O'CONNOR: New facility.
 21 COMMISSIONER DORAN: On the same site?
 22 MR. O'CONNOR: On the same site. We'll
 23 email you -- if you don't mind, we have digital
 24 copies of the renderings. We had a community
 25 meeting to show -- so, yeah. So they're taking
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1 the building down. We're going to conserve some
2 of the stone, there's some stone and old parts of
3 an old wall, we're going to conserve them and
4 reuse them. So that's part of the demolition
5 costs.

6 COMMISSIONER DUBLIN: How about the
7 fireplace?

8 MR. O'CONNOR: Yeah, that's -- the stone
9 from the fireplace, that's like the only wall
10 that's really left. Over the years, they've
11 punched everything else out. So those stones are
12 going to be captured, saved, and then they're
13 going to be reused in the facility, including in a
14 fireplace, they're going to be placed there.

15 COMMISSIONER DORAN: Are they doing any
16 work with parking, too?

17 MR. O'CONNOR: Yeah.

18 COMMISSIONER DORAN: I know parking is
19 an issue.

20 MR. O'CONNOR: The parking -- the
21 building is actually going to be on a smaller
22 footprint and in the same location essentially.
23 So there's going to be more opportunity on --
24 there's a leasehold, so it's really around the
25 building. There's more ability to put more

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1 parking like behind where the building will be and
2 along side, that's within the leasehold. And then
3 to reconfigure the rest of that parking lot to
4 accommodate more public parking. So there will be
5 some parking -- more parking than there is.

6 COMMISSIONER DORAN: Okay.

7 MR. NETCHERT: They're projecting 80
8 spots of their own and that's a projection based
9 upon what actually gets built and what they can
10 fit in there. But the additional parking that's
11 out there is on Green Acres, it's open to the
12 public and it will remain open to the public.

13 COMMISSIONER DORAN: Okay. Is it a
14 restaurant, is it going to be open like a
15 restaurant? I don't really know that much about
16 that area, so --

17 COMMISSIONER GOLDSACK: Restaurant and a
18 catering.

19 MR. NETCHERT: It's --

20 COMMISSIONER DUBLIN: And a catering
21 hall.

22 COMMISSIONER DORAN: Okay.

23 MR. NETCHERT: The request for proposals
24 required that the interested party maintain an
25 open-to-the-public restaurant six days a week for

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1 limited hours. And so there will be that
2 restaurant. Last I heard, I think it was 40 to 50
3 person eating area.

4 MR. O'CONNOR: I think it's about 50
5 person eating area and then a catering facility,
6 it's on multiple levels. So it's on a smaller
7 footprint, but it will have outdoor areas,
8 rooftop. And it's an interesting design, a nice
9 design.

10 Hopefully, the commitment from the
11 county and the commitment from the Authority
12 through the county is to Landmark to provide up to
13 six million dollars for what we refer to as a core
14 and shell, so that's like the essential elements
15 of the building, not the fit-out, the finish. We
16 think the building is going to be -- it's going to
17 be at least at eight or nine million dollar
18 project, all in, maybe more, depending on how it
19 goes.

20 But that's the commitment for capital
21 from the Authority, which we will monitor closely
22 as part of the terms of that lease. And then the
23 rest of the funds are, again, for demolition and
24 other soft costs that were involved in this.

25 COMMISSIONER DORAN: Trying to think of
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1 the restaurant, I don't know if you've been there,
2 the one at Turtleback Zoo in West Orange. I can't
3 remember --

4 MR. O'CONNOR: The Boathouse?

5 COMMISSIONER DORAN: That's part of
6 Essex County.

7 MR. NETCHERT: Improvement Authority.

8 MR. O'CONNOR: We looked at that lease,
9 that was one of the lease examples we looked at
10 when we were -- Leslie London from McManimon,
11 Scotland essentially put this together. But we
12 looked at that and a couple other for torts and
13 lease --

14 MR. NETCHERT: I think that one was
15 fully funded by the County of Essex, as opposed
16 to --

17 COMMISSIONER DORAN: Right.

18 MR. NETCHERT: This is a second try for
19 us, we tried to do this without the county putting
20 any money in and there weren't -- there wasn't a
21 line out the door for people who wanted to do this
22 with money out of their own pocket. But we did
23 get four responses this time. The first one
24 withdrew because they really wanted to do just a
25 catering facility. And Landmark was selected,

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1 they're called something different, the single
2 purpose entity that they formed, but it's
3 Landmark. And all of the places that they have
4 and they've represented to us that they believe
5 they have a waiting list of people who would be
6 ready, willingly, and able to lease this place for
7 events, so. And they've indicated that it will be
8 less pricey than the Liberty House and/or the new
9 one they just opened on the bottom of Cape Point
10 and/or the six or eight other ones they have.

11 COMMISSIONER GOLDSACK: Mike, I just
12 have -- I read this quickly, the lease. Number 9,
13 section 9, on page 2, it says the county will
14 permanently finance the demolition and subsequent
15 construction and new improvement. And then on
16 page 9, it says that the Authority is going to
17 provide the six million dollars.

18 MR. O'CONNOR: Yes. And the six million
19 dollars, it's by definition the commitment on the
20 funds is six million dollars. And the commitment
21 is that that be used for core and shell. And core
22 and shell is a defined term in the document. So
23 one of the other costs related to the -- beyond
24 the six million dollars is we're going to have
25 Mast Construction and our engineers, you know, our
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1 consulting engineers every step of the way
2 reviewing the -- first of all, the plans. And
3 then ultimately during construction because
4 obviously the six million dollars is government
5 funds from the Authority and the county.

6 COMMISSIONER GOLDSACK: So the six
7 million dollars --

8 MR. NETCHERT: The first six million
9 dollars of the nine or ten million dollar project.

10 MR. O'CONNOR: And the building will be
11 owned by county. So once it's -- you know, once
12 it's constructed, what they're funding is
13 improvements essentially to the leasehold.

14 COMMISSIONER DUBLIN: So how much is
15 Landmark putting into the building? We're putting
16 six million, what are they putting?

17 MR. O'CONNOR: We don't have a final
18 estimate on the cost of the building. And as
19 we're going further along in our -- like Ted
20 Domuracki from Mast and PS&S have been reviewing
21 this. We think the ultimate cost for the Landmark
22 to complete the building will be at least eight or
23 nine million dollars, probably closer to ten.

24 COMMISSIONER DUBLIN: On top of the six?

25 MR. O'CONNOR: That would be --
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1 COMMISSIONER DUBLIN: That's included?
2 MR. O'CONNOR: So out of -- so from the
3 six million, the total cost of this building is
4 probably going to be on the order of nine or ten
5 million dollars. So their capital investment in a
6 leasehold, which is a 30 year leasehold, will be
7 at least three or four million dollars, probably
8 more.

9 That doesn't necessarily include all the
10 things that you put in a restaurant that are, you
11 know -- essentially chairs and all the other kind
12 of things that are not fixtures, you know, so...

13 COMMISSIONER DUBLIN: And so Landmark
14 will be paying to the county or the Improvement
15 Authority a lease payment every year?

16 MR. O'CONNOR: Yeah, so there's a
17 schedule in here. And the schedule, it
18 accelerates over the years. And there's both a
19 minimum schedule of rent payments, so there's a
20 fixed minimum that moves upwards. And then
21 there's a percentage of revenues also. And so the
22 lease is written in a way that the greater of the
23 those are what the lease payment is over the
24 course of time. So it's a percentage of sales and
25 sales are defined, and it's all industry common
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1 standard language, you know, in terms of
2 restaurant leases.

3 And then over the course of time, that
4 accelerates. So the concept was that at a
5 minimum, over the course of 30 years, the minimum
6 lease payments would ultimately be enough to pay
7 off the seven and a half million dollars in bonds.
8 And then if the project, if it's a successful
9 facility, it will generate more revenue based on
10 the eight percent off the top of revenue as a
11 lease payment.

12 COMMISSIONER DUBLIN: Do we know the
13 total capacity of this building, how many people
14 can fit in the building?

15 MR. O'CONNOR: You know, I could tell
16 you that -- I don't have it off the top of my
17 head. It's stacked, so it's actually three
18 levels. So the first level is -- I think the
19 first level is approximately like 350 to maybe
20 400. But the way it's designed, it can
21 accommodate more people if all the space is used
22 for one event, and it's staged up and down and
23 moved around. There's some outdoor area for
24 seating, also.

25 COMMISSIONER DUBLIN: That's going to
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1 be -- the problem is 80 parking spaces. So
2 somebody having an event there is going to put
3 more than 300 something people --

4 MR. NETCHERT: The Hudson County
5 Democratic Organization, and they park on the
6 thing.

7 MR. O'CONNOR: And there's no doubt that
8 parking is potentially an issue, which is why I
9 think we got -- we had four people and three that
10 actually responded and one that pulled out. I
11 think one of the critical issues for a lot of them
12 was, you know, the parking, right, is limited.

13 And so, yeah, parking is potentially a
14 problem. Although, we were told, not just by
15 Landmark, that the dynamic of that business has
16 been changing, just like a lot of other businesses
17 because of shared rides, you know, Lyft Uber,
18 buses, and things that people do. And they also
19 plan to have essentially a jitney service within
20 the park area on days they have events. So people
21 can park in the other parking lots around the
22 park. You know, the one on the other side of 1&9
23 that's across the bridge that's rarely used, that
24 they can circulate people in and out. So they
25 expect it to be -- all those parking spaces are
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1 are public though, anybody that comes to the park
2 and wants to use the space can use them. They're
3 not going to be he dedicated or they cannot be
4 dedicated.

5 COMMISSIONER DUBLIN: We know that
6 people that use Lyft, Uber, are more local, but
7 people coming out of town for a special event,
8 that's not going to be the case.

9 MR. O'CONNOR: The parking will -- we'll
10 see how it sorts out. But everybody did their
11 best to try to maximize what's in the vicinity
12 that could be used.

13 COMMISSIONER DUBLIN: So we're voting on
14 this lease agreement tonight --

15 MR. O'CONNOR: Correct.

16 COMMISSIONER DUBLIN: -- without nobody
17 signing it?

18 MR. O'CONNOR: Yes, yes. It's in the
19 form, substantial form that we expect to execute.
20 If there's some major change, then we'll come back
21 to the board. But we expect it to be executed in
22 a form substantial to what we provided.

23 CHAIRMAN PESTANA: Any other questions?

24 COMMISSIONER GOLDSACK: They don't
25 foresee any issue with respect to the facilities

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1 that they presently have as far as competition
2 with this, do they?

3 MR. O'CONNOR: No, we didn't hear that
4 from them. And, you know, the one -- the
5 operation that dropped out, The Grove, they have a
6 major facility and they have two facilities
7 actually. And they didn't see that as a problem
8 for anybody that would be bidding, including
9 themselves.

10 CHAIRMAN PESTANA: Anything else?
11 Anybody have any motions on this?

12 COMMISSIONER GOLDSACK: I'll motion.

13 CHAIRMAN PESTANA: We have a motion by
14 Commissioner Goldsack.

15 COMMISSIONER DELLABELLA: Second.

16 CHAIRMAN PESTANA: Second by
17 Commissioner Dellabella.

18 MS. RAMOS: Commissioner Bado.

19 COMMISSIONER BADO: Yes.

20 MS. RAMOS: Commissioner Dellabella.

21 COMMISSIONER DELLABELLA: Yes.

22 MS. RAMOS: Commissioner Doran.

23 COMMISSIONER DORAN: Yes.

24 MS. RAMOS: Commissioner Dublin.

25 COMMISSIONER DUBLIN: Yes.

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1 MS. RAMOS: Commissioner Goldsack.

2 COMMISSIONER GOLDSACK: Yes.

3 MS. RAMOS: Commissioner Lorenzo.

4 COMMISSIONER LORENZO: Yes.

5 MS. RAMOS: Commissioner Martinetti.

6 COMMISSIONER MARTINETTI: Yes.

7 MS. RAMOS: Commissioner Peneda.

8 COMMISSIONER PENEDA: Yes.

9 MS. RAMOS: Chairman Pestana.

10 CHAIRMAN PESTANA: Yes.

11 MS. RAMOS: Resolution 10-2019-10 passes
12 in the affirmative, nine board members voting es.

13 COMMISSIONER DUBLIN: Can I ask one more
14 question? So when the lease is signed, we're

15 knowing they signed the lease and everything --

16 MR. O'CONNOR: You know what, counsel?

17 MR. NETCHERT: What was the question?

18 COMMISSIONER DUBLIN: I want to know --

19 MR. O'CONNOR: Will the board know --

20 COMMISSIONER DUBLIN: -- will we be
21 notified?

22 MR. NETCHERT: A little explanation as
23 to why everything is happening the way it is. The
24 county certainly is not going to borrow seven and
25 a half million dollar until it has a signed lease

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1 by someone saying they're going to do it. The
 2 Board of Chosen Freeholders, as well as the County
 3 Executive, has indicated a desire to open this as
 4 quickly as possible, as opposed to leave it there
 5 until it burns down. That having been said, there
 6 are certain things that need to be, at least,
 7 partially agreed upon in order for the county to
 8 move forward with the borrowing of the funds.
 9 Hence, the reason you have a lease in front of you
 10 that says substantially in the form attached
 11 hereto, because Landmark, in the documents, called
 12 Lincoln Casino in the Park, LLC, or Lincoln Casino
 13 has not had a chance to have their attorney sit
 14 with us to negotiate out certain items like
 15 payment of real estate taxes on the property. Our
 16 position is very clear, if it's taxed, you're
 17 paying it. If it's not taxed, good for both of
 18 us. But so those kind of things are still left to
 19 be -- the lease itself is potentially what is
 20 going to be signed. If you're asking for the
 21 executive director or CEO to send you a notice
 22 once it's signed, we'd be happy to do that.

23 COMMISSIONER DUBLIN: That would be
 24 good.

25 MR. NETCHERT: All we're asking for is
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1 authority to sign it without waiting to the next
 2 meeting to sign it.

3 COMMISSIONER DUBLIN: I understand the
 4 whole, you know, like the process. But I just
 5 wanted to make sure that our interests are
 6 protected also in this whole process because, you
 7 know, if you don't have a signed lease by
 8 somebody, sometimes they have a tendency to want
 9 to pull out on something. And I agree with you
 10 why hold the petition to put a bond up for so much
 11 amount of money and we don't have a guarantee.

12 MR. NETCHERT: Right.

13 CHAIRMAN PESTANA: So, you know, just
 14 notify the board when the lease is signed.

15 MR. NETCHERT: Once it's been signed,
 16 we'll let you know.

17 COMMISSIONER GOLDSACK: Can we also be
 18 informed --

19 MR. NETCHERT: We have signed --

20 COMMISSIONER GOLDSACK: Any
 21 substantial --

22 MR. NETCHERT: We have signed our lease
 23 with the county. And our lease with the county
 24 says that whatever the cost of this is, the county
 25 guarantees to pay it. Our obligation is whatever

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1 revenues you generate from it, you got to send
 2 over to us to offset the cost of paying the debt
 3 service on the bond.

4 COMMISSIONER GOLDSACK: If there's any
 5 significant change in this, can we be notified?

6 MR. NETCHERT: Sure, absolutely.

7 CHAIRMAN PESTANA: Okay. Anyone else on
 8 this? Next. Number 11.

9 MR. CHERRY: Can we get a roll call?

10 MS. RAMOS: I did it, then we talked.

11 MR. CHERRY: In that case, I'm going to
 12 move on.

13 Resolution Number 10-2019-11 of the
 14 Hudson County Improvement Authority approving its
 15 fiscal year 2020 budget. The Authority's required
 16 to introduce a budget at least 60 days prior to
 17 the close of the year end. So that's the reason
 18 that you have this before you tonight. The total
 19 budget for 2020 is \$246,162,258 compared to
 20 \$214,943,105, which is an increase of \$31,219,153,
 21 when taking into consideration the increase that
 22 is in debt service, this is basically a flat
 23 budget. In fact, it's decreased from last year's
 24 operating budget by \$223,000, so of course 223,000
 25 out of 246 million is flat.

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1 So, additionally, there's a capital
 2 budget here for \$450,000, which is the same as
 3 last year. The budget's not expected to have any
 4 impact on the local economy. There is no
 5 unrestricted net position or I guess that's the
 6 newest term, surplus or fund balance, utilized to
 7 balance this budget. And the capital budget is
 8 funded through an appropriation in the operating
 9 budget.

10 CHAIRMAN PESTANA: Did you say there was
 11 an increase of 31 million?

12 MR. CHERRY: In debt service. The main
 13 part of that is because of notes through the
 14 pooled note program and we've had an increase in
 15 participation amongst municipalities.

16 CHAIRMAN PESTANA: Anybody have any
 17 questions? Do we have any motions on this?

18 COMMISSIONER DELLABELLA: Motion.

19 COMMISSIONER DORAN: Second.

20 CHAIRMAN PESTANA: Motion by
 21 Commissioner Dellabella, second by Commissioner
 22 Doran.

23 MS. RAMOS: Commissioner Bado.

24 COMMISSIONER BADO: Yes.

25 MS. RAMOS: Commissioner Dellabella.

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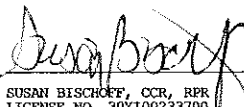
1 COMMISSIONER DELLABELLA: Yes.
 2 MS. RAMOS: Commissioner Doran.
 3 COMMISSIONER DORAN: Yes.
 4 MS. RAMOS: Commissioner Dublin.
 5 COMMISSIONER DUBLIN: Yes.
 6 MS. RAMOS: Commissioner Goldsack.
 7 COMMISSIONER GOLDSACK: Yes.
 8 MS. RAMOS: Commissioner Lorenzo.
 9 COMMISSIONER LORENZO: Yes.
 10 MS. RAMOS: Commissioner Martinetti.
 11 COMMISSIONER MARTINETTI: Yes.
 12 MS. RAMOS: Commissioner Peneda.
 13 COMMISSIONER PENEDA: Yes.
 14 MS. RAMOS: Chairman Pestana.
 15 CHAIRMAN PESTANA: Yes.
 16 MS. RAMOS: Resolution 10-2019-11 passes
 17 in the affirmative, nine board members voting yes.
 18 MR. CHERRY: Number 12, personnel
 19 matters. I don't believe there are any.
 20 Litigations, counsel?
 21 MR. NETCHERT: None.
 22 MR. CHERRY: None.
 23 MR. NETCHERT: Just in terms of -- to
 24 keep you fully informed, you are aware that we
 25 were negotiating with New Jersey Transit. We felt
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1 we were close, the Authority has, in fact,
 2 received the funds for the sale of the parcel, the
 3 Coppers' Cove parcel to New Jersey Transit. Those
 4 monies were received by Kurt, deposited and
 5 forwarded to the County of Hudson. And it's my
 6 belief the County of Hudson will use those funds
 7 to pay off a bond, which we hold.
 8 MR. CHERRY: That's correct.
 9 MR. NETCHERT: So that's all that has
 10 happened. The taking price was 20 million
 11 dollars, which you knew about.
 12 CHAIRMAN PESTANA: Okay.
 13 MR. CHERRY: The county currently has
 14 bonds outstanding with interest for almost 14
 15 million dollars, which is what they received. We
 16 hold those bonds as an investment in the solid
 17 waste fund. So I'm going to lose my best
 18 investment right now because it pays 2 and a half
 19 percent. It was a win-win for both us and county
 20 because the county had the ability to retire the
 21 bonds at any time, with giving us notice, that
 22 they intended to do so. So they would not have
 23 been able to get those terms in the market, nobody
 24 would give you those terms. So it was also a good
 25 rate for them to be borrowing at as well as a good
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1 rate for us to invest. All things must come to an
 2 end.
 3 CHAIRMAN PESTANA: There's no other
 4 business? Do we have a motion to adjourn?
 5 COMMISSIONER DORAN: Motion to adjourn.
 6 COMMISSIONER PENEDA: Second.
 7 CHAIRMAN PESTANA: Commissioner Doran,
 8 second by Commissioner Peneda. All in favor?
 9 (All Commissioners indicate their vote.)
 10 CHAIRMAN PESTANA: Meeting adjourned.
 11 Thank you.
 12
 13 (The meeting was adjourned at
 14 approximately 6:11 p.m.)
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CERTIFICATE

1
 2
 3
 4
 5
 6 I HEREBY CERTIFY that the foregoing is a
 7 true and accurate transcript of the testimony and
 8 proceedings as taken stenographically by me at the
 9 time, place, and on the date hereinbefore set
 10 forth.

11
 12
 13
 14 
 15 SUSAN BISCHOFF, OCR, RPR
 16 LICENSE NO. 30XI00233700