

Township of Hamilton, NJ
January 6, 2010

The Reorganization and Regular Meeting of Township of Hamilton Industrial Commission was held on the above date with Chairman Robert RaVell presiding. Members present were Eric Aiken, Gordon Craig, Carmen Fichetola, Ariane Newman, Charles Pritchard and Rocco Policarpo. Also present was Robert Sandman, Solicitor.

Compliance with the Open Public Meetings Law was acknowledged.

Oath of Office – The Oath of Office was administered to Charles Pritchard, the newly appointed Industrial Commission member.

Election of Chairperson – Mr. Policarpo nominated Robert RaVell, seconded by Mr. Craig, to serve as chairman of the Township of Hamilton Industrial Commission for the year 2010, until the Commission reorganizes in 2011.

No other nominations were presented.

SAID NOMINATION CARRIED WITH ALL MEMBERS VOTING “AYE”, NO “NAY”, NO “ABSTAIN”.

Election of Vice-chairperson – Mr. Craig nominated Rocco Policarpo, seconded by Ms. Newman, to serve as vice-chairman of the Township of Hamilton Industrial Commission for the year 2010, until the Commission reorganizes in 2011.

No other nominations were presented.

SAID NOMINATION CARRIED WITH ALL MEMBERS VOTING “AYE”, NO “NAY”, NO “ABSTAIN”.

Appointment of Secretary – Mr. RaVell stated that the secretary to the Commission had already been established.

Appointment of Solicitor and Engineer Consultant – Mr. RaVell acknowledged that Robert Sandman of Hankin Sandman & Palladino, and Robert Smith of Remington & Vernick Engineers, would serve the Commission during the year 2010, as they were appointed by Township Committee, and State law provides for the same professionals that serve a governing body also serve an industrial commission.

Real Estate Agent – Mr. RaVell advised that the Commission would need to consider who it would like to be its real estate representative during 2010, as the contract with NAI Mertz had expired. He noted that he had been contacted by a representative of NAI Mertz who said they were interested in continuing to serve the Commission.

Mr. RaVell stated that he would be working with the Secretary to informally request that other real estate professionals submit information that could be reviewed by a subcommittee, after which a decision would be made as to who would be interviewed.

Mr. RaVell commented that there was no urgency with regard to the appointment of a real estate agent, as all of the property within the Business Park was under agreement.

Meeting Time and Date – Mr. Policarpo moved, seconded by Mr. Aiken, to establish 6:00 PM as the time when Industrial Commission meetings will commence, and the first Wednesday of every month, as indicated on the list of meeting dates distributed by the Secretary, as when Commission meetings will take place during the year 2010. SAID MOTION CARRIED WITH ALL MEMBERS VOTING “AYE”, NO “NAY”, NO “ABSTAIN”.

Engineering Subcommittee – Mr. RaVell appointed Mr. Craig and Mr. Fichetola, to serve on the Engineering Subcommittee during the year 2010.

Finance Subcommittee – Mr. RaVell appointed Mr. Policarpo and Ms. Newman to serve on the Finance Subcommittee during the year 2010.

Advertising Subcommittee – Mr. RaVell deferred appointing members to the Advertising Subcommittee until a decision is made with regard to the marketing consultant.

Approval of Minutes – Mr. Policarpo moved, seconded by Ms. Newman, to approve the minutes of the meeting of December 2, 2009, as published. SAID MOTION CARRIED WITH SIX MEMBERS VOTING “AYE”, NO “NAY”, ONE “ABSTAIN”.

Solicitor Files – Mr. RaVell stated that Randolph Lafferty was in the process of preparing to transfer the Industrial Commission files and escrow deposits he has in his possession to Mr. Sandman.

Commission’s Charge – Mr. RaVell reflected on what had taken place during the past year, and how land sale activity had fluctuated over the years the Business Park had been in existence. He mentioned how the permitted uses within the Park had evolved since the original Ordinance provision had been adopted, and the revenue that had been generated as a result of lands sales within the Park, taking into consideration both the unanticipated revenue from the actual sale of land and the ongoing property tax revenue, whether or not the property was developed.

Mr. RaVell referred to the Industrial Commission’s past actions and mission, and stated that he had made it known that the Commission would re-evaluate its mission if it was found to be at odds with the wishes of Township Committee or the general consensus of the public. He referred to the Industrial Commission’s past efforts to encourage development of the Business Park and stated that, although its judgment had been challenged, the Commission had always been clear and upfront with what it did and why it was done. Mr. RaVell stated that the Commission has to keep an open mind and look for other ways than just focusing on Business

Park development to further its mission of economic development, as had been previously discussed.

Mr. RaVell acknowledged the presence of Charles Cain, Deputy Township Committee Liaison to the Commission. He stated he understood that Township Committee was evaluating all the boards and commissions of the Township with regard to cost-savings efforts, and asked Mr. Cain what Township Committee was considering with regard to Commission's focus going forward.

Mr. Cain stated that he was not prepared to comment, as he did not have all of the information. Mr. RaVell responded that he was able to provide the former Solicitor with some historical data related to grants, and Mr. Cain stated that the information has not been reported to him. Mr. Cain advised that every board and commission is being considered in every way possible in an effort to balance the budget.

Business Park Entrance Maintenance – Mr. Ravell stated that the Commission was be soliciting RFP's for maintenance of the entrance to the Park, and would be considering the proposals at a future meeting.

Black Horse Pike Directional Sign – Mr. Fichetola noted the deteriorated condition of the Industrial Commission's sign on the Black Horse Pike, and he suggested that the Commission lease space on the sign as a way to generate revenue for sign maintenance. The suggestion was discussed, and the general consensus was that the idea would be problematic. Mr. RaVell stated that he would contact Rick O'Shea Signs, the Company that repaired the sign in the past, to see what the cost would be to repair it again.

Summit Associates – Mr. RaVell reported on the status of the Summit Associates project in the Business Park, and noted that it appeared the plans were now in compliance with the approval granted.

Harrison Beverage Company – The Secretary reported with regard to what she new about the status of the Harrison Beverage Company Project.

Magic Sports and Health Complex, LLC – It was noted that Ron Nametko had indicated that plans would be presented to the Planning Board some time in January.

Mr. Policarpo asked if Magic Sports had presented any information with regard to its financial commitment for project funding, and the Secretary stated that nothing had been presented as of this date.

Mr. Policarpo questioned whether the Commission had a right to inquire as to Magic Sports' financing for the project, and Mr. Sandman advised that the Commission could inquire, but Magic Sports was under no legal obligation to provide the information. Mr. Sandman further advised that the Commission should be able to rely upon the voluntary offer to provide the information in a general sense, but not necessarily in a legally binding sense.

Mr. Sandman stated that he had not had an opportunity to review the contract as to whether there was any obligation to provide the financial information, but his understanding was that there was a request for the information during a presentation that was in progress. Mr. RaVell stated there was nothing in the contract to compel providing the information, but he noted that Magic Sports, at the request of the Commission, had provided proof of financing to the satisfaction of the Commission and its past solicitor prior to execution of the present contract due to the Commission's prior experience with Ronald Nametko.

Mr. Policarpo recalled that Mr. Nametko promised to provide the Secretary with the information by December 19, 2009, and the Secretary recalled that Mr. Nametko had stated that he would share with the Commission everything he could share without revealing the funding source. Mr. RaVell recalled that Mr. Nametko stated he would be glad to share the information as soon as they were permitted to do so. Mr. Craig read the portion of the minutes that addressed the issue.

Mr. RaVell stated that, whether it would be appropriate or not, he would contact the individual who had requested a letter certifying that the Commission granted the last extension to the Agreement of Sale in an attempt to find out where the financing stands.

Mr. RaVell noted that most projects have very little value until approvals are obtained, and those financing the construction usually don't commit funds until that occurs.

Hamilton Township MUA – Mr. RaVell referred to a letter from Stephen Blankenship, Hamilton Township Municipal Utilities Authority Executive Director, within which Mr. Blankenship requested input from the Commission with regard to an application to NJDEP for an extension of a water permit and sewer permit involving lots that are under agreement with Summit Associates. It was pointed out that Summit Associates was under contract with Harrison Beverage Company to purchase the subject property.

No objection to the extension request was presented. The Secretary was directed to reply to Mr. Blankenship's correspondence.

Public Comment – Mr. RaVell opened the meeting to public comment.

Bruce Strigh referred to the Commission's discussion regarding Magic Sports and Health Complex, LLC, and expressed his recollection that Mr. Nametko had offered to provide certain information by December 18, 2009.

Mr. Strigh made reference to the Commission's mission going forward, and commented that there was no land to sell.

Mr. RaVell responded that it was questionable as to whether there was land available to sell within the Park. He pointed out that the Commission was formed under State statute and its function was defined within that law. He commented that the Commission did not need to own land to carry out its duties, and referenced a lawsuit involving another municipality.

Mr. RaVell stated that the Commission actually owned the land within the Hamilton Business Park, and could enter into contract to sell any of the land it owns, but the land would have to be offered at public auction if it were owned by the Township. He pointed out that land sold by the Township would be sold to the highest bidder, who may or may not develop the property; but the sales entered into by the Commission contain certain performance standards and are based on what the contract purchaser is proposing to develop and what the benefits to the municipality would be as a result of the project. Mr. RaVell noted that the mayor has ten days to veto every contract that the Commission enters into to sell land.

In response to Mr. Strigh's question as to where the Commission sees itself going, Mr. Craig suggested that, going forward, the Commission, could become involved with other areas to encourage economic development, such as the Atlantic City Race Course, the Wheaton tract, Main Street in Mays Landing and any areas identified by the Township as being an area in need of business growth. He stated that the powers to assist the Township in this manner are within the purview of the Commission.

Mr. Strigh questioned what the process would be, and Mr. Craig responded that the question could not be answered at this point because it was purely hypothetical. Mr. RaVell suggested that an inventory of property could be compiled, to be evaluated as to how the properties comport with the Master Plan and look for ways to make them economically viable.

Mr. Strigh referred to Magic Sports and Health Complex, LLC, and expressed the opinion that there would be a request for a three month extension of the Agreement of Sale when the current extension expires, using the same reasons, and that they would continue to delay the project if the Commission continues to grant extensions.

Mr. RaVell questioned how it would benefit Magic Sports, considering the costs associated with each extension and the costs associated with the approvals, particularly, the costs involved with extended Planning Board hearings.

Mr. Strigh responded that there would be no benefit to extend it, except for speculation purposes. He expressed the opinion that Mr. Nametko would never construct the project because he had no money, and stated that, somehow, Mr. Nametko was able to "drag it out" and make promises to provide certain information at certain times which did not materialize.

A discussion ensued between Mr. Strigh and Commission members, during which the likelihood of the project ever coming to fruition was questioned; the considerable amount of money expended to date on soft costs was acknowledged; why the developer would want to keep spending money on soft costs was questioned; the additional time to secure the approval because of the objectors' presentation was mentioned; and the effect of not receiving approval for Phase II on the Agreement of Sale was questioned;

Mr. RaVell stated that the Industrial Commission was monitoring the situation very closely and would not do anything that would not be in the best interest of the taxpayers. He noted that the Commission makes its decision on what the perceived benefits to the taxpayers would be, and, once the contract is signed, it abides by the terms of the contract and does not get

involved with the process that the contract purchaser undertakes to secure the necessary approvals.

Mr. Sandman advised that the Industrial Commission is a body politic, which is a free-standing political entity that has the right to do certain things, some of which Township Committee could not do. He stated that, as a body politic, the Commission is bound to act in good faith when it enters into an agreement, and because it is a government entity, it has to “turn square corners”. Mr. Sandman further advised that to do anything apart from that would expose the Commission and the Township to a lawsuit. He stated that the Commission’s position is enhanced to act in good faith by the terms of the government, because it is government.

DVD Viewing – The Commission moved the meeting to Conference Room “A” to view the DVD entitled “In the Scope of Your Authority: Preventing Public Officials’ Liability”. The public was invited to join the Commission to view the video, and no Industrial Commission business was conducted in Conference Room “A”.

Adjournment – There being no further business, the meeting was adjourned.

Respectfully submitted,

Nancy Rainbow, Secretary