

NEW JERSEY MEADOWLANDS COMMISSION
AGENDA

DATE: November 25, 2013
TIME: 10:00 a.m.
PLACE: Lyndhurst, New Jersey
RE: MONTHLY MEETING

1. Pledge of Allegiance
2. Sunshine Law Statement
3. Roll Call
4. REVIEW OF MINUTES - October 23, 2013
5. PUBLIC PARTICIPATION ON RESOLUTIONS
6. D.E.P. ESCROW ACCOUNT AUDITS

Resolution No. 13-43 Consideration of a Resolution Concerning
The Adoption of the D.E.P. Escrow Account
Audits

7. VARIANCES

Resolution No. 13-44 Consideration of a Resolution Regarding the
Application for One Bulk Variance, for Hartz
Mountain Industries (File #12-307, Hartz HMP/
450 Harmon Meadow Blvd. - Hotel/Restaurant
Development - Variance)

8. REDEVELOPMENT

Resolution No. 13-45 Consideration of a Resolution Authorizing
NJMC Staff to Conduct an Investigation of
Block 227, Lots 4.03 and 4.04, in Secaucus, to
Determine if the Properties May Potentially
Be Deemed In Need of Redevelopment, In
Accordance with N.J.A.C 19:3-5.2(a)

NEW JERSEY MEADOWLANDS COMMISSION
AGENDA

MONTHLY MEETING

Pg. 2

9. BANKING SERVICES

Resolution No. 13-46 Consideration of a Resolution Authorizing
The Executive Director to enter into an Agreement for
Banking Services.

10. REPORTS

- A. Commissioners
- B. Executive Director
- C. Directors
- D. HMMC Executive Director

11. NEW BUSINESS

12. PUBLIC PARTICIPATION

13. CLOSED SESSION

- A. Adopt Resolution No. 13-47 to hold Closed Session.
- B. Adjournment to Closed Session. The Commission Reserves the Right to Reconvene into Public Session, if necessary, to take Action on Closed Session Items.

**PLEASE CONTACT THE NJMC OFFICE (201-460-1700) PRIOR TO
MEETING IF SPECIAL REQUIREMENTS ARE NEEDED UNDER ADA**

NEW JERSEY MEADOWLANDS COMMISSION

DATE: October 23, 2013
TIME: 10:00 a.m.
PLACE: Lyndhurst, NJ
RE: MONTHLY MEETING MINUTES

COMMISSIONERS PRESENT:

Paul Macchia, Acting Chairman
Robert J. Dowd
Jay C. Nadel (via phone)
Thomas Quirico (via phone)
Mauro DeGennaro
James V. Bocchino
Albert E. Cameron

STAFF PRESENT:

Marcia Karrow, Executive Director
Bernard Nangle, Deputy Executive Director
Christine Sanz, Chief Operating Officer and Chief Counsel
Sara Sundell, Director Land Use Management
Thomas Marturano, Director of Natural Resources
Adam Levy, Director of Legal Affairs/Chief of
Renewable Energy Project Development
Edward Bulmer, Director of Finance and Chief Fiscal Officer
Francisco Artigas, Director of MERI
Amy Herbold, Assistant Counsel to the Governor
Maurice Griffin, DAG
Fred J. Dressel, HMMC
Lynn Johnson, Executive Assistant

1. Pledge of Allegiance
2. Executive Director Karrow read the Notice of Meeting required under the Sunshine Law.
3. Roll Call
4. REVIEW OF MINUTES

Minutes of the September 25, 2013 open session were moved by Commissioner Cameron, seconded by Commissioner Bocchino and carried with all in favor.

5. SPECIAL PRESENTATION -

Dr. Francisco Artigas gave a special presentation on the EPA Wetland Grant.

6. PUBLIC PARTICIPATION ON RESOLUTIONS - None

7. EPA GRANT

Resolution No. 13-41- Resolution authorizing the Executive Director to accept an EPA Grant to conduct a wetland study.

Motion to adopt the resolution was made by Commissioner Nadel, seconded by Commissioner DeGennaro and unanimously carried.

8. LEGAL

Resolution No. 13-42- Resolution authorizing the Executive Director to finalize and execute agreements with Bowles Corporate Services for the settlement of claims arising out of a contract for security guard services.

Motion to adopt the resolution was made by Commissioner Dowd, seconded by Commissioner Bocchino and unanimously carried.

9. REPORTS - None

10. NEW BUSINESS - None

11. PUBLIC PARTICIAPTION - None

12. CLOSED SESSION - None

Motion to adjourn the meeting was made by Commissioner Bocchino, seconded by Commissioner Dowd with all in favor.


MARCIA A. KARROW, SECRETARY

RESOLUTION#	13-41	13-42
Acting Chairman Macchia	Y	Y
Comm. Bocchino	Y	Y
Comm. DeGennaro	Y	Y
Comm. Nadel (via phone)	Y	Y
Comm. Quirico (via phone)	Y	Y
Comm. Cameron	Y	Y
Robert J. Dowd	Y	Y

Y = Yes A= Abstain
R = Recuse N = No
- = Absent

**ACCEPTANCE OF AUDITS OF LANDFILL
CLOSURE ESCROW ACCOUNTS**

BE IT RESOLVED that the Independent Auditor's Report prepared by Ferraioli, Wielkocz, Cerullo & Cuva, for the New Jersey Meadowlands Commission's Solid Waste Baling Facility and Keegan Landfill Facility Closure Escrow Accounts for the fiscal year ended September 30, 2013 are hereby accepted.

The foregoing Resolution was adopted by Commission vote.



Paul Macchia
Acting Chairman

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Meadowlands Commission at their meeting of November 25, 2013.



Marcia A. Karrow
Secretary

Resolution No. 13-43

Motion Second Roll Call

Memorandum



New Jersey Meadowlands Commission

To: NJMC Commissioners and Marcia A. Karrow, Executive Director

From: Edward H. Bulmer Date: November 25, 2013

Subject: ADOPTION OF DEPT. OF ENVIRONMENTAL PROTECTION ESCROW AUDITS

I am pleased to submit the following annual audits of the NJMC/DEP landfill closure escrow accounts for the fiscal year ended September 30, 2013, prepared by Ferraioli, Wielkotz, Cerullo & Cuva, for your review and acceptance:

1. NJMC Solid Waste Baling Facility
2. Keegan Landfill Facility

I am pleased to report that the Commission has received an unqualified (clean) opinion on each of the escrow audits. As part of the DEP's requirement, copies of the audit reports have been forwarded to the Department for its review and acceptance.

:cm
attachments

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FACILITY
FOR THE PERIOD
OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FACILITY**

CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	3
<u>Financial Statements</u>	
Statement of Assets, Liabilities, and Fund Balance at September 30, 2013	5
Statement of Revenues, Expenditures and Changes in Fund Balance for the Period October 1, 2012 to September 30, 2013	6
Notes to Financial Statements	7

Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
New Jersey Meadowlands Commission

We have audited the accompanying financial statements of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility, which comprise the statement of assets, liabilities and fund balance as of September 30, 2013 and the related statement of revenues, expenditures and changes in fund balances for the year then ended, and the related notes to the financial statements.

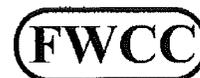
Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of assets, liabilities and fund balance of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility, as of September 30, 2013, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987) as described in Note 1.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987). Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of management, New Jersey Meadowlands Commission and the Department of Environmental Protection, State of New Jersey, Bureau of Solid Waste Regulation and the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987) and is not intended to be and should not be used by anyone other than these specified parties.

Ferraioli, Wielkotz, Cerullo, & Cuva, PA

FERRAIOLI, WIELKOTZ, CERULLO, & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

October 17, 2013



Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners
New Jersey Meadowlands Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America and the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987), the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility (the Facility) as of and for the year ended September 30, 2013 and the related notes to the financial statements, and have issued our report thereon dated October 17, 2013, which was adverse due to being presented in accordance with Landfill Closure and Contingency basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance, we considered the Facility's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance, but not for the purpose of expressing an opinion on the effectiveness of the Facility's internal control. Accordingly, we do not express an opinion on the effectiveness of the Facility's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Facility's statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under the Landfill Closure and Contingency Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Facility's internal control or on compliance. This report is an integral part of an audit performed in accordance with the Landfill Closure and Contingency Act in considering the Facility's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Ferraioli, Wielkotz, Cerullo, & Cuva, P.A.

FERRAIOLI, WIELKOTZ, CERULLO, & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

October 17, 2013



**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FUND**

**STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE
SEPTEMBER 30, 2013**

ASSETS

Cash and Cash Equivalents	\$1,098,178.29
Investments, at Market Value	289,777.61
	<u>1,387,955.90</u>
Accounts Receivable	32,866.00
	<u>\$1,420,821.90</u>

FUND BALANCE

Fund Balance	1,420,821.90
	<u>\$1,420,821.90</u>

See accompanying notes to the financial statements.

NEW JERSEY MEADOWLANDS COMMISSION
 (A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
 LANDFILL CLOSURE ESCROW FUND
 KEEGAN LANDFILL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013

Month	Number of Tons Accepted	Date of Deposit	Dollars Deposited	Income on Invested Funds	Total
October, 2012	29,874	11/19/12	\$29,874.00	\$208.55	\$30,082.55
November, 2012	39,331	12/12/12	39,331.00	2.61	39,333.61
December, 2012	28,495	01/18/13	28,495.00	2,211.47	30,706.47
January, 2013	27,190	02/13/13	27,190.00	3.03	27,193.03
February, 2013	23,858	03/19/13	23,858.00	3.19	23,861.19
March, 2013	27,147	04/18/13	27,147.00	3.02	27,150.02
April, 2013	35,753	05/16/13	35,753.00	3.46	35,756.46
May, 2013	33,478	06/13/13	33,478.00	3.47	33,481.47
June, 2013	36,435	07/16/13	36,435.00	2,212.52	38,647.52
July, 2013	38,354	08/15/13	38,354.00	4.30	38,358.30
August, 2013	39,615	09/18/13	39,615.00	5.18	39,620.18
September, 2013	32,866	10/15/13	32,866.00	5.39	32,871.39
	<u>392,396</u>		<u>\$392,396.00</u>	<u>\$4,666.19</u>	<u>397,062.19</u>
					550.00
					23,235.16
					0.00
					0.00
					420,847.35
					999,974.55
					<u>\$1,420,821.90</u>

Realized Gain/(Loss) on Sale of Investments
 Unrealized Gain/(Loss) on Ending
 Market Value of Investments

Less: Trustee Fees
 Withdrawals

Net Increase/(Decrease) in Fund Balance

Fund Balance, Beginning of Period

Fund Balance, End of Period

Financial Institution(s):
 TD Wealth Management
 #6164501

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FACILITY
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Meadowlands Commission Landfill Closure Escrow Fund Keegan Landfill Facility was established by the New Jersey Meadowlands Commission in January 2009, in compliance with New Jersey Public Law 1981, C. 306, the Sanitary Landfill Closure and Contingency Fund Act. A portion of the funds received for solid and liquid wastes accepted for disposal during the year are deposited to the fund in order to have funds available for the cost of future closure of the landfill. No withdrawals therefore may be made without written approval by the New Jersey State Department of Environmental Protection.

NOTE 2: BASIS OF ACCOUNTING

The financial statements of the New Jersey Meadowlands Commission Landfill Closure Escrow Account have been prepared on the cash basis of accounting; consequently certain revenues recognized when received rather than when earned, and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred.

The Facility is considered part of the Commission and does not include all of the operations of the Commission. Accordingly, the accompanying financial statements report only that portion of the Commission that deals with the Facility.

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes that are treated as cash equivalents. As of September 30, 2013, \$0 of the Commission's bank balance of \$1,098,178.29 was exposed to custodial credit risk.

NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FACILITY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

As of September 30, 2013, the Commission had the following investments and maturities:

Investment Type	Market Value	<u>Investment Maturities (in Years)</u>		
		Less Than 1	1-5	6-10
U.S. Treasury Notes	<u>\$289,777.61</u>	<u>\$289,777.61</u>	\$	\$
Total	<u>\$289,777.61</u>	<u>\$289,777.61</u>	<u>\$0.00</u>	<u>\$0.00</u>

Investment Rate Risk

The purchases of U.S. Treasury and Agency Investments carry investment rate risk where a possible rise in interest rates could lead to a fair value loss in the current value of such securities. The Meadowlands Commission follows the guidance provided by the Governmental Accounting Standards Board for accounting for either increases or decreases in fair value of securities.

Credit Risk

New Jersey Statutes limits investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America; obligations of federal agencies; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Commission places no limit on the amount the Commission may invest in any one issuer.

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
KEEGAN LANDFILL FACILITY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

NOTE 4: DEPOSITS TO ESCROW FUND

Deposits to the escrow fund are required to be made on or before the 20th day of the month following their receipt.

NOTE 5: SUBSEQUENT EVENTS

The Commission has evaluated subsequent events through October 17, 2013, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY
FOR THE PERIOD
OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY**

CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	3
 <u>Financial Statements</u>	
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INDEPENDENT AUDITOR'S REPORT

The Board of Commissioners
New Jersey Meadowlands Commission

We have audited the accompanying financial statements of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility, which comprise the statement of assets, liabilities and fund balance as of September 30, 2013 and the related statement of revenues, expenditures and changes in fund balances for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

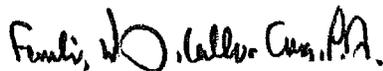
In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of assets, liabilities and fund balance of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility, as of September 30, 2013, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987) as described in Note 1.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987). Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of management, New Jersey Meadowlands Commission and the Department of Environmental Protection, State of New Jersey, Bureau of Solid Waste Regulation and the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987) and is not intended to be and should not be used by anyone other than these specified parties.



FERRAIOLI, WIELKOTZ, CERULLO, & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

October 17, 2013



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

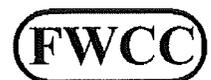
The Board of Commissioners
New Jersey Meadowlands Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America and the audit requirements of the Sanitary Landfill Closure and Contingency Fund Act of 1981 (Amended 1987), the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance of the New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility (the Facility) as of and for the year ended September 30, 2013 and the related notes to the financial statements, and have issued our report thereon dated October 17, 2013, which was adverse due to being presented in accordance with Landfill Closure and Contingency basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance, we considered the Facility's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance, but not for the purpose of expressing an opinion on the effectiveness of the Facility's internal control. Accordingly, we do not express an opinion on the effectiveness of the Facility's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Facility's statement of assets, liabilities and fund balance and the statement of revenues and expenditures and changes in fund balance are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under the Landfill Closure and Contingency Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Facility's internal control or on compliance. This report is an integral part of an audit performed in accordance with the Landfill Closure and Contingency Act in considering the Facility's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

FERRAIOLI, WIELKOTZ, CERULLO, & CUVA, P.A.
Certified Public Accountants
Pompton Lakes, New Jersey

October 17, 2013



**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FUND**

**STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE
SEPTEMBER 30, 2013**

ASSETS

Cash and Cash Equivalents	\$116,161.49
Investments, at Market Value	677,224.51
	<u>793,386.00</u>
Accounts Receivable	0.00
	<u>\$793,386.00</u>

LIABILITIES AND FUND BALANCE

Liability - Due to General Operating Fund	498.00
Fund Balance	792,888.00
	<u>\$793,386.00</u>

See accompanying notes to the financial statements.

NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013

Month	Number of Tons Accepted	Date of Deposit	Dollars Deposited	Income on Invested Funds	Total
October, 2011				\$525.05	\$525.05
November, 2011				2,050.09	2,050.09
December, 2011				0.29	0.29
January, 2012				4,849.19	4,849.19
February, 2012				1,187.82	1,187.82
March, 2012				600.42	600.42
April, 2012				525.77	525.77
May, 2012				1,375.75	1,375.75
June, 2012				0.77	0.77
July, 2012				4,928.15	4,928.15
August, 2012				0.26	0.26
September, 2012				500.14	500.14
			<u>\$0.00</u>	<u>\$16,543.70</u>	<u>16,543.70</u>
					(1,807.84)
					(12,160.20)
				5,368.34	5,368.34
				100,000.00	100,000.00
					(102,792.68)
					<u>896,178.68</u>
					<u>\$793,386.00</u>

Realized Gain/(Loss) on Sale of Investments
Unrealized Gain/(Loss) on Ending
Market Value of Investments

Less: Trustee Fees
Withdrawals

Net Increase/(Decrease) in Fund Balance

Fund Balance, Beginning of Period

Fund Balance, End of Period

Financial Institution(s):
Bank of America
#51-16-200-8559054

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The New Jersey Meadowlands Commission Landfill Closure Escrow Fund Solid Waste Baling Facility has been established by the New Jersey Meadowlands Commission in January 1982, in compliance with New Jersey Public Law 1981, C. 306, the Sanitary Landfill Closure and Contingency Fund Act. A portion of the funds received for solid and liquid wastes accepted for disposal during the year are deposited to the fund in order to have funds available for the cost of future closure of the landfill. No withdrawals therefore may be made without written approval by the New Jersey State Department of Environmental Protection.

In December 1997, this site stopped accepting household solid waste and in January 2008, this site stopped accepting all waste. The Facility continues to operate to account for the interest earned on the funds on deposit for future closure expenditures.

NOTE 2: BASIS OF ACCOUNTING

The financial statements of the New Jersey Meadowlands Commission Landfill Closure Escrow Account have been prepared on the cash basis of accounting; consequently certain revenues recognized when received rather than when earned, and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred.

The Facility is considered part of the Commission and does not include all of the operations of the Commission. Accordingly, the accompanying financial statements report only that portion of the Commission that deals with the Facility.

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes that are treated as cash equivalents. As of September 30, 2013, \$0 of the Commission's bank balance of \$116,161.49 was exposed to custodial credit risk.

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

NOTE 3: CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Investments

As of September 30, 2013, the Commission had the following investments and maturities:

<u>Investment Type</u>	<u>Market Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>
Federal Home Loan Banks	\$201,640.00	\$201,640.00		
Federal Home Loan Mortgage	221,520.00	221,520.00		
U.S. Treasury Notes	<u>254,064.51</u>	<u>254,064.51</u>	—	—
Total	<u>\$677,224.51</u>	<u>\$677,224.51</u>	<u>\$0.00</u>	<u>\$0.00</u>

Investment Rate Risk

The purchases of U.S. Treasury and Agency Investments carry investment rate risk where a possible rise in interest rates could lead to a fair value loss in the current value of such securities. The Meadowlands Commission follows the guidance provided by the Governmental Accounting Standards Board for accounting for either increases or decreases in fair value of securities.

Credit Risk

New Jersey Statutes limits investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America; obligations of federal agencies; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk

The Commission places no limit on the amount the Commission may invest in any one issuer.

**NEW JERSEY MEADOWLANDS COMMISSION
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
LANDFILL CLOSURE ESCROW FUND
SOLID WASTE BALING FACILITY
NOTES TO FINANCIAL STATEMENTS, CONTINUED
FOR THE PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**

NOTE 4: DEPOSITS TO ESCROW FUND

Deposits to the escrow fund are required to be made on or before the 20th day of the month following their receipt.

The Facility ceased operations on December 31, 2008 and, therefore, the final deposit was made on January 19, 2009.

NOTE 5: SUBSEQUENT EVENTS

The Commission has evaluated subsequent events through October 17, 2013, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**RESOLUTION ISSUING A DECISION ON THE VARIANCE APPLICATION
SUBMITTED AS PART OF FILE NO. 12-307
HARTZ HMP/450 HARMON MEADOW BLVD. - HOTEL/RESTAURANT
DEVELOPMENT - VARIANCE
BLOCK 227.01, LOT 3, IN THE TOWN OF SECAUCUS**

WHEREAS, an application for one bulk variance was filed with the New Jersey Meadowlands Commission (NJMC) by Kristine Kalfas of Hartz Mountain Industries, Inc., for the premises located at 450 Harmon Meadow Boulevard, Block 227.01, Lot 3, in the Town of Secaucus, New Jersey; and

WHEREAS, the premises is located in the Commission's Regional Commercial zone; and

WHEREAS, the variance is sought in connection with the applicant's proposal to construct a 175-room hotel on the subject premises; and

WHEREAS, the applicant requested relief from N.J.A.C. 19:4-5.56(a)5, which limits the maximum number of hotel rooms to 25 rooms per acre. The applicant is proposing to construct a 175-room hotel on the 5.293 acre property, which equates to 33 rooms per acre; and

WHEREAS, notice of the requested variance relief was given to the public and all interested parties as required by law and was published in The Jersey Journal newspaper; and

WHEREAS, a public hearing was held in the Office of the NJMC on Tuesday, August 27, 2013 before Sharon Mascaró, Deputy Director of Land Use Management and Deputy Chief Engineer, Mark Skerbetz, Senior Planner; and Brandon Alviano, Senior Planner; and

WHEREAS, a comprehensive report dated November 7, 2013, has been prepared indicating the recommendations of the Director of Land Use Management and the Executive Director in this matter; and

WHEREAS, the report recommends approval of the requested bulk variance from N.J.A.C. 19:4-5.56(a)5 to permit a 175-room hotel with a density of 33 rooms per acre, whereas a maximum of 25 rooms per acre is permitted; and

WHEREAS, the members of the NJMC have reviewed the full record including the transcripts of the public hearings, recommendations on the application by the Director of Land Use Management and by the Executive Director, and the submissions of the applicant; and

WHEREAS, the members of the NJMC concur with the recommendations of the Director of Land Use Management and the Executive Director; and

WHEREAS, the NJMC hereby determines that the requested variance from N.J.A.C. 19:4-5.56(a)5, to permit a 175-room hotel with a density of 33 rooms per acre, conforms with the standards for approving applications for variances as set forth in N.J.A.C. 19:4-4.14(e).

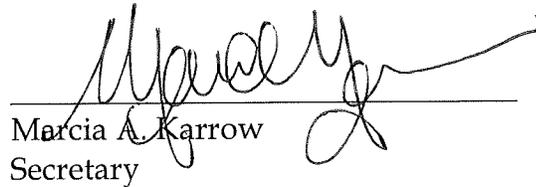
NOW, THEREFORE, BE IT RESOLVED, by the New Jersey Meadowlands Commission, that the Hartz HMP/450 Harmon Meadow Blvd - Hotel/Restaurant Development - Variance application for one bulk variance from N.J.A.C. 19:4-5.56(a)5, to permit a 175-room hotel with a density of 33 rooms per acre, is hereby **APPROVED** for the reasons set forth in the recommendation dated November 7, 2013.

The foregoing was adopted on Commission vote.



Paul Macchia
Acting Chairman

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Meadowlands Commission at its meeting of November 25 2013.



Marcia A. Karrow
Secretary

Resolution No. 13-44

Motion Second Roll Call

Memorandum



New Jersey Meadowlands Commission

NJMC Commissioners and Marcia A. Karrow, Executive Director

To: _____
Sara J. Sundell
November 25, 2013

From: _____
Date: _____

Subject: _____
Variance Recommendation- Hartz HMP/450 Harmon Meadow Blvd. - Hotel/Restaurant
Development - Variance (File 12-307)

An application for one bulk variance was filed with the New Jersey Meadowlands Commission (NJMC) by Kristine Kalfas of Hartz Mountain Industries, Inc., for the premises located at 450 Harmon Meadow Boulevard, Block 227.01, Lot 3, in the Town of Secaucus, New Jersey. Said premises are located in the Commission's Regional Commercial zone.

The variance is sought in connection with the applicant's proposal to construct a 175-room hotel on the subject premise.

The applicant requested variance relief from the following:

1. N.J.A.C. 19:4-5.56(a)5, which limits the maximum number of hotel rooms to 25 rooms per acre. The applicant is proposing to construct a 175-room hotel on the 5.293 acre property (33 rooms per acre).

A public hearing was held in the Office of the NJMC on Tuesday, August 27, 2013.

In a comprehensive report dated November 7, 2013, the Director of Land Use Management and the Executive Director recommended approval of the requested bulk variance to permit a 175-room hotel with a density of 33 rooms per acre, whereas a maximum of 25 rooms per acre is permitted.

At this time, the Commission is required to issue a decision on the variance application described above. A resolution requesting the same is attached for your consideration.

**RECOMMENDATION ON THE VARIANCE APPLICATION OF
Hartz/450 Harmon Meadow Blvd. – Hotel/Restaurant Development**

FILE # 12-307

I. INTRODUCTION

An application for one (1) bulk variance has been filed with the New Jersey Meadowlands Commission (NJMC) by Kristine Kalfas of Hartz Mountain Industries, Inc. for the premises located at 450 Harmon Meadow Boulevard, Block 227.01, Lot 3, in the Town of Secaucus, New Jersey. Said premises are located in the Commission's Regional Commercial zone. The variance is sought in connection with the applicant's proposal to construct a 175-room hotel on the subject premises.

Specifically, the applicant is requesting relief as follows:

1. N.J.A.C. 19:4-5.56(a)5, which limits the maximum number of hotel rooms in the Regional Commercial zone to 25 rooms per acre. The applicant is proposing to construct a 175-room hotel on the 5.293 acre property, which results in 33 rooms per acre.

A public hearing was held at the Office of the Commission on Tuesday, August 27, 2013. Notice was given to the public and all interested parties as required by law. The public notice of this hearing was published in The Jersey Journal newspaper. Two written comments were submitted to the Division of Land Use Management. All information submitted to the Division of Land Use Management relative to this application was made part of the record of this recommendation.

II. GENERAL INFORMATION

A. Existing and Proposed Use

The subject premises, 450 Harmon Meadow Boulevard, Block 227.01, Lot 3, is a 5.293-acre lot. The site was previously improved with two office buildings that served as a broadcasting facility for the National Basketball Association. The applicant recently demolished the office buildings and, on March 26, 2013, a Conditional Zoning Certificate was issued to construct two freestanding restaurants and a 132-room hotel with associated site improvements. On May 31, 2013, the NJMC received amended applications and plans to increase the number of hotel rooms from 132 rooms to 175 rooms, which exceeds the maximum permitted density of 25 rooms per acre for hotel rooms within the Regional Commercial zone. The applicant's proposal to construct a 175-room hotel on the 5.293 acre property results in a hotel room density of 33 rooms per acre.

B. Response to the Public Notice

Two written comments were submitted to this Office regarding this application prior to the public hearing. Letters were received from Mayor Michael Gonnelli, Town of Secaucus, dated August 15, 2013, and Jim Kirkos, President/CEO of the Meadowlands Regional Chamber of Commerce, dated August 19, 2013, which are part of the record in this matter.

III. PUBLIC HEARING (August 27, 2013)

A public hearing was held on Tuesday, August 27, 2013. NJMC staff in attendance were Sharon Mascaró, P.E., Deputy Director of Land Use Management and Deputy Chief Engineer, Mark Skerbetz, P.P., AICP, Senior Planner, and Brandon Alviano, Senior Planner.

A. Exhibits

The following is a list of the exhibits submitted by the applicant at the public hearing and marked for identification as follows:

<u>Number</u>	<u>Description</u>
A-1	"Site Plan," prepared by Pennoni Associates, Dwg. No. CS-1002, dated September 18, 2012, revised through August 2, 2013;
A-2	"First Floor Plan", prepared by Zivic & Hurdle Architects, Dwg. No. A1.A, revised through May 16, 2013;
A-3	"Front & Side Elevations," prepared by Zivic & Hurdle Architects, Dwg. No. A2.1, revised through May 16, 2013; and
A-4	"Expert Planning Report," prepared by Phillips, Preiss, and Grygiel, LLC, dated July 2013.

B. Testimony

David J. Hughes, Esq., represented Hartz Mountain Industries, Inc. The following witnesses testified in support of the application:

1. Kristine Kalfas, P.E., P.P., Hartz Mountain Industries, Inc.; and
2. Paul Phillips, P.P., AICP, Phillips, Preiss and Grygiel, LLC.

Staff findings and recommendations are based on the entire record. A transcript of the public hearing was prepared and transcribed by Susan Bischoff, Certified Court Reporter.

C. Public Comment

One member of the public was present at the public hearing. Jim Kirkos, President/CEO of the Meadowlands Regional Chamber of Commerce, provided comments in support for the application.

IV. RECOMMENDATION

- A. Standards for the Granting of a Bulk Variance from the Provisions of N.J.A.C. 19:4-8.2(b)1, which limits the maximum number of hotel rooms in the Regional Commercial zone to 25 rooms per acre. The applicant is proposing to construct a 175-room hotel on the 5.293 acre property, which results in 33 rooms per acre.

The NJMC Zoning Regulations at N.J.A.C. 19:4-4.14(e) state in part that, *a variance shall not be granted unless specific written findings of fact directly based upon the particular evidence presented are made that support conclusions that...*

1. *Concerning bulk variances:*

- i. *The variance requested arises from such condition that is unique to the property in question, is not ordinarily found in the same zone, and is not created by any action of the property owner or the applicant.*

The subject property is a 5.293-acre rectangular-shaped parcel having three front yards. The property fronts along Park Place to the north, the eastern spur of the New Jersey Turnpike to the west, and Harmon Meadow Boulevard to the east. To the south is a fully developed site consisting of a five-story office building and a seven-story hotel.

NJMC zoning regulations limit the number of hotels rooms on the property to 25 rooms per acre. The existing site area of 5.293 acres permits a hotel with a maximum of 132 rooms. The applicant is proposing a 175-room hotel. As the site is bounded on three sides by public rights-of-way, and on the remaining side by a fully developed site, there is no ability for the applicant to acquire additional property to enable compliance with the maximum number of hotel rooms.

However, the proposed hotel is located within the Harmon Meadow regional commercial center, consisting of a mix of retail, office, restaurant, and hotel uses, with most of the properties under the common ownership of Hartz Mountain Industries and/or its subsidiaries. Therefore, properties in the Harmon Meadow development are commonly viewed within the context of an overall comprehensive development, a unique situation in the Meadowlands District. Although the permitted hotel density is exceeded on this particular property (Lot 3), the overall hotel density in this particular portion of Harmon Meadow, located to the west of Harmon Meadow Boulevard within Block 227.01, would be consistent with the maximum permitted hotel density when considered on a regional scale.

- ii. *The granting of the variance will not adversely affect the rights of neighboring property owners or residents.*

The granting of the requested variance to permit an increase in the maximum number of hotel rooms per acre will not adversely affect the rights of neighboring property owners or residents. The site is located within the Harmon Meadow commercial center. Properties adjacent to the site in question are zoned Regional Commercial and consist of a variety of mixed uses, including, but not limited to, office space, restaurants, retail and hotels. The proposed 175-room hotel will be seven stories high and will be located on a site containing two freestanding restaurant buildings. The proposed hotel meets all other bulk and parking requirements for the zone, and is consistent with the character of various other hotels and multi-story office space in the immediate area. There is also sufficient area on the subject property to provide the required

number of parking spaces for a 175-room hotel, in addition to the required parking for the two freestanding restaurants. Therefore, the granting of the variance will not have a detrimental impact on adjacent development or surrounding properties.

iii. The strict application of the regulations will result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the property owner.

The applicant is limited to the development of 25 hotel rooms per acre in the Regional Commercial zone. This equates to approximately 132 rooms for the 5.293 acre site, whereas the applicant proposes 175 rooms. The applicant testified that the proposed hotel will be a "select service" hotel, which is a new style of hotel characterized by multifunctional lobbies with modestly-sized guest rooms. These hotels do not provide the typical amenities that are in full service hotels, such as large conference rooms, banquet facilities, or separate restaurants and lounges that are open to non-hotel guests. The applicant further testified that the select-service style hotel devotes approximately 80 percent of the building's square footage to guest rooms, whereas a full-service hotel typically devotes only 60 percent of the hotel floor area for rooms. Even though the proposed hotel will provide a greater number of rooms than permitted within the Regional Commercial zone, the overall intensity of the use will be less than a full-service hotel that provides fewer rooms. The applicant testified that current trends in the hotel industry favor construction of the select service hotel prototype that is proposed in this application rather than the traditional full service hotels with a larger footprint and extensive amenities, i.e. banquet/conference rooms, etc., which

generate a greater intensity of use. Hotel brands are seeking to construct select service hotels that are affordable and convenient with an increased number of smaller rooms. Without the additional hotel room density, hotel brands would not be attracted to the subject property.

- iv. The variance will not result in substantial detriment to the public good and will not adversely affect the public health, safety, morals, order, convenience, prosperity or general welfare.*

There will be no substantial detriment to the public good and no adverse effects to the public health, safety, morals, order, convenience, prosperity or general welfare by the granting of the requested variance. Properties in the surrounding neighborhood primarily consist of commercial uses, including, but not limited to, office facilities, restaurants, retail and hotels. The applicant is proposing a 175-room hotel, which equates to approximately 33 rooms per acre, whereas the maximum allowable amount of hotel rooms a property within the Regional Commercial zone is permitted to contain is 25 rooms per acre. The proposed hotel will be seven stories high and is consistent with the height of other commercial development, including hotels and office buildings, located in the immediate area. There is also sufficient area on the subject property to provide the required number of parking spaces for a 175-room hotel, in addition to the required parking for the two freestanding restaurants. The proposed project will conform to all other bulk and parking requirements and therefore will not be a detriment to the public or affect the surrounding properties.

- v. *The variance will not have a substantial adverse environmental impact.*

The granting of the requested variance will not have any adverse environmental impacts. Increasing the maximum hotel room density to 33 rooms per acre will not cause the NJMC's performance standards regarding noise, vibrations, airborne emissions, hazardous materials, glare or water quality to be exceeded.

- vi. *The variance represents the minimum deviation from the regulations that will afford relief.*

The proposed 175-room hotel complies with all bulk requirements in the Regional Commercial zone, with the exception of the maximum number of hotel rooms per acre. The maximum number of hotel rooms permitted on this 5.293-acre site is 132. The applicant proposes 43 additional rooms than are permitted in the zone. In determining the minimum deviation in this instance for the subject property, it is important to review not only the number of rooms, but the intensity of the uses proposed for the facility. As floor area ratio (F.A.R.) requirements in the Regional Commercial zone do not apply to hotels, the controlling requirement for hotels is based on the density calculation of number of rooms per acre. Therefore, assuming all other bulk requirements are met, it is possible that a larger hotel building with a conforming room density, but greater overall square footage and more intense uses, such as banquet and conference halls, could be permitted in this zone.

In contrast, the applicant has proposed a hotel facility without the intense ancillary uses, but containing a greater number of rooms. A more intense development could have the potential for creating adverse effects on the surrounding development, however, in this proposal, the effect of more hotel rooms is not an increase in intensity due to the lack of large amenities that draw non-guests to the facility. The function of the hotel itself will be different than a traditional full service hotel. Even though there will be a greater number of rooms associated with the proposed select service hotel style, the use will be less intense, as the hotel does not provide large conference rooms, separate restaurants, lounges, or banquet facilities that could be utilized by non-guests.

Additionally, development in the Harmon Meadow area is generally considered on a comprehensive basis. Within this context, when considered in conjunction with the two other properties within Block 227.01, which is located on the westerly portion of Harmon Meadow Boulevard, the proposed hotel density would not be excessive. Lots 1, 2, and 3 within Block 227.01 total approximately 21.3 acres. Lot 1 is currently improved with a retail building, and Lot 2 contains an office building and the 150-room Hampton Inn hotel. The proposed total of 325 rooms on the combined lot area of these properties results in a hotel density of 15.2 hotel rooms per acre. Therefore, although the permitted hotel density is exceeded on this particular property (Lot 3), the overall hotel density in this particular portion of Harmon Meadow, located along the westerly portion of Harmon Meadow Boulevard, would comply with the maximum permitted hotel density. Considering the fact that there is sufficient area on the subject property to provide the required number of parking spaces for a 175-room

hotel, in addition to the required parking for the two freestanding restaurants, and the intense ancillary uses of a full-service hotel are not included in a select service hotel, the additional proposed hotel rooms on the subject site will not have detrimental effect on the property. The effect of the additional hotel rooms on the intensity of the development is not more than the regional development can handle, thus translating to the minimum deviation from the regulations.

vii. Granting the variance will not substantially impair the intent and purpose of these regulations.

The requested variance to permit a greater number of hotel rooms on the site than what is permitted will not impair the intent and purpose of the regulations. The intent of the regulation to limit the number of hotel rooms to 25 rooms per acre is to regulate the overall size of the hotel facility in comparison to the lot size, as well as to encourage a mix of commercial uses in the Regional Commercial zone. In the past, traditional hotels included banquet facilities, large conference centers and restaurants and lounges. All of the aforementioned uses were accessory to the hotel that could be utilized by non-guests. These accessory uses generally create a more intense use than a hotel that provides only guest rooms. As proposed by the applicant, this new style of hotel, known as a select service style hotel, will not provide non-guest amenities that a traditional hotel normally would. Even though there will be a greater number of rooms than permitted, the overall square footage and height of the proposed hotel will be consistent with the various hotels in the area.

V. SUMMARY OF CONCLUSIONS

A. Standards for the Granting of a Bulk Variance from the Provisions of N.J.A.C. 19:4-8.2(b)1, which limits the maximum number of hotel rooms in the Regional Commercial zone to 25 rooms per acre. The applicant is proposing to construct a 175-room hotel on the 5.293 acre property, which results in 33 rooms per acre.

Based on the record in this matter, the bulk variance application to permit a 175-room hotel with a density of 33 rooms per acre, whereas a maximum of 25 rooms per acre is permitted, is hereby recommended for approval.

<u>APPROVAL</u>	<u>11-6-13</u>	
Recommendation on Variance Request	Date	Sara J. Sundell, P.E., P.P. Director of Land Use Management

<u>approval</u>	<u>11/7/13</u>	
Recommendation on Variance Request	Date	Marcia A. Karrow Executive Director

**RESOLUTION AUTHORIZING NJMC STAFF
TO INVESTIGATE THE REDEVELOPMENT POTENTIAL OF
100 PARK PLAZA DRIVE, BLOCK 227, LOTS 4.03 & 4.04, IN SECAUCUS, NJ**

WHEREAS, N.J.S.A. 13:17-21 authorizes the New Jersey Meadowlands Commission (NJMC) to prepare and adopt redevelopment plans for areas determined to be renewal areas within the Hackensack Meadowlands District for the purpose of redevelopment; and

WHEREAS, a petition, dated August 6, 2013, was received from Hartz Mountain Industries, Inc./100 Park Plaza Drive LLC requesting that the NJMC investigate the redevelopment potential of Block 227, Lots 4.03 and 4.04, in the Town of Secaucus; and

WHEREAS, N.J.A.C. 19:3-5.1 *et seq.* provides the procedures for designating an area within the Meadowlands District as an area in need of redevelopment; and

WHEREAS, the NJMC staff must request authorization from the Commission to conduct an investigation of areas that may potentially be deemed in need of redevelopment; and

WHEREAS, the NJMC staff requests authorization to conduct an investigation of Block 227, Lots 4.03 and 4.04, in Town of Secaucus to examine their redevelopment potential; and

WHEREAS, the NJMC staff has compiled preliminary information regarding the subject properties in accordance with the requirements of N.J.A.C. 19:3-5.2 to support this request; and

WHEREAS, pursuant to N.J.A.C. 19:3-5.4, the NJMC staff requests authorization to prepare an "In Need of Redevelopment Report" and hold a public hearing to obtain public comment on the report and its findings.

NOW, THEREFORE, BE IT RESOLVED, that the NJMC staff is hereby authorized to conduct an investigation of Block 227, Lots 4.03 and 4.04, in Town of Secaucus to examine their redevelopment potential; and

BE IT FURTHER RESOLVED, that the NJMC staff is hereby authorized to prepare an "In Need of Redevelopment Report" pursuant to N.J.A.C. 19:3-5.4 and hold a public hearing to obtain public comment on the report and its findings.

The foregoing was adopted on Commission vote.



Paul Macchia
Acting Chairman

I hereby certify the foregoing to be a true copy of the Resolution adopted by the New Jersey Meadowlands Commission at its meeting of November 25, 2013.



Marcia A. Karrow
Secretary

Resolution No. 13-45

Motion Second Roll Call

Memorandum



New Jersey Meadowlands Commission

NJMC Commissioners and Marcia A. Karrow, Executive Director

To: _____

From: Sara J. Sundell

Date: November 25, 2013

Subject: Authorization to Conduct Secaucus In-Need of Redevelopment Study (File SP-716)

A petition dated August 6, 2013, was received by the New Jersey Meadowlands Commission (NJMC) from Hartz Mountain Industries, Inc./100 Park Plaza Drive LLC, requesting that the NJMC investigate the redevelopment potential of 100 Park Plaza Drive, Block 227, Lots 4.03 and 4.04, in Secaucus. The properties are located in Harmon Meadow Plaza and are commonly known as the Carpet Center.

The NJMC staff undertook a preliminary analysis of properties in this vicinity and prepared a summary report of its findings. Pursuant to N.J.A.C. 19:3-5.2, the NJMC staff requests authorization from the Board of Commissioners to conduct an investigation of the redevelopment potential of Block 227, Lots 4.03 and 4.04, in the Town of Secaucus to determine if they contain the conditions to be designated an area in need of redevelopment. The results of this investigation will be compiled in an "In Need of Redevelopment" report, in accordance with the requirements of N.J.A.C. 19:3-5.4.

Authorization is also requested to hold a public hearing to obtain public comment on this report and its findings.

**REQUEST FOR AUTHORIZATION
REDEVELOPMENT INVESTIGATION OF
100 PARK PLAZA DRIVE
BLOCK 227, LOTS 4.03 & 4.04
TOWN OF SECAUCUS, NEW JERSEY**

The New Jersey Meadowlands Commission (NJMC) received a petition from Hartz Mountain Industries, Inc./100 Park Plaza Drive LLC, in a letter dated August 6, 2013, to investigate the redevelopment potential of Block 227, Lots 4.03 and 4.04, in the Town of Secaucus, New Jersey. The properties are located in Harmon Meadow Plaza and are commonly known as the Carpet Center.

Pursuant to N.J.A.C. 19:3-5.2, the NJMC staff must request authorization from the Commission to conduct an investigation of areas that may potentially be deemed in need of redevelopment. The request for authorization must include the following:

1. The block and lot number designation of the properties;
2. The existing zoning and land use of the properties;
3. A map showing the boundaries of the area to be investigated;
4. A description of all existing structures on each site; and
5. A statement indicating why the property may be in need of redevelopment.

The NJMC staff conducted a preliminary review and field inspection of the Carpet Center properties.

The proposed study area is comprised of two (2) tax lots, totaling 13.6 acres in area. The subject properties front on Park Plaza Drive and are located in the northeast corner of Harmon Meadow Plaza, a regional commercial development comprised of retail establishments, hotels, offices, a convention center, movie theater, health club and multiple parking decks. The study area is bounded on the west by the parking lot of a Wal-Mart and Sam's Club big box development, on the south by the Harmon Meadow Plaza development, on the east by an undeveloped portion of the Regional Commercial zone, and on the north by a property located in the Environmental Conservation zone and consisting primarily of wetlands.

The study area is delineated by a yellow boundary line on Figure 1. Properties within Block 227 are located in the Commission's Regional Commercial zone, as shown on the existing zoning map for the redevelopment study area on Figure 2.

The subject lots contain two interconnected buildings, totaling approximately 331,000 square feet, which have been utilized as showroom space by carpet wholesalers. The

building located on Lot 4.03 is a 170,910 square-foot structure with three-stories over ground level parking. The building located on Lot 4.04 is a two-story, 160,440 square-foot steel-frame structure.

The petitioner has submitted a planning report, prepared for Hartz Mountain Industries, Inc. by Phillips Preiss Grygiel LLC, dated August 2013, which states that the study area should be declared in need of redevelopment in accordance with criteria no. 4, as per NJMC regulations at N.J.A.C. 19:3-5.7(a)4, which refers to "areas with buildings or improvements that, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community."

Conclusion:

Based on the above information, the NJMC staff requests authorization to conduct a more detailed study of the subject properties to analyze their redevelopment potential. The findings of this investigation will be compiled into an "In Need of Redevelopment Report," in accordance with the requirements of N.J.A.C. 19:3-5.4, and a public hearing will be held to obtain public comment on the report and its findings.

Figure 1 – Redevelopment Study Area
 Block 227, Lots 4.03 & 4.04, Secaucus



LEGEND

- Study Area
- Block Line
- Lot Lines

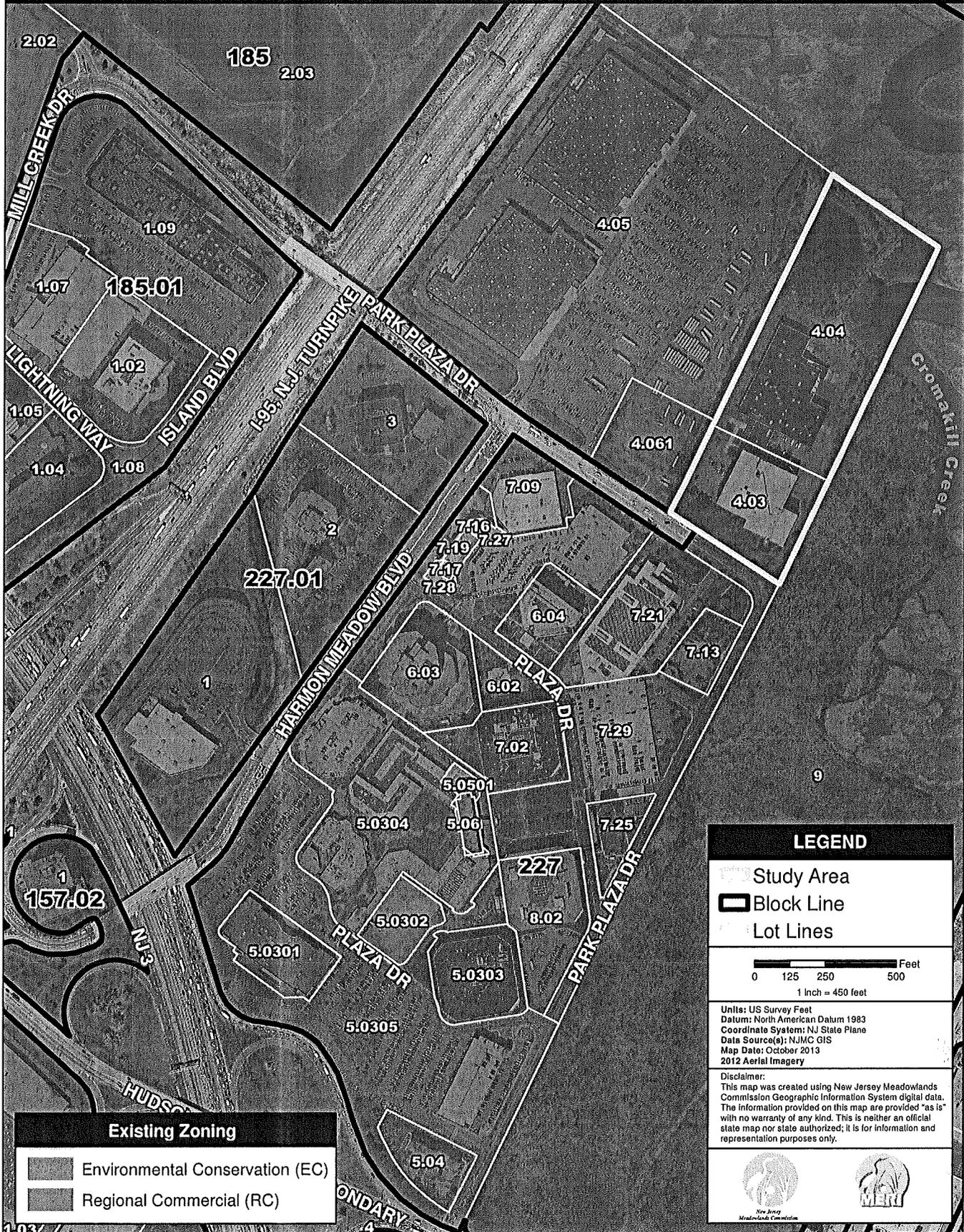
0 125 250 500 Feet
 1 inch = 450 feet

Units: US Survey Feet
 Datum: North American Datum 1983
 Coordinate System: NJ State Plane
 Data Source(s): NJMC GIS
 Map Date: October 2013
 2012 Aerial Imagery

Disclaimer:
 This map was created using New Jersey Meadowlands Commission Geographic Information System digital data. The information provided on this map are provided "as is" with no warranty of any kind. This is neither an official state map nor state authorized; it is for information and representation purposes only.




Figure 2 – Redevelopment Study Area: Existing Zoning
 Block 227, Lots 4.03 & 4.04, Secaucus



**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER
INTO AN AGREEMENT FOR BANKING SERVICES**

WHEREAS, on April 18, 2013, the NJMC publicly advertised a Request for Proposals (RFP) for Banking Services; and

WHEREAS, pursuant to the RFP, proposals were due on May 21, 2013 and proposals were timely submitted by the following financial institutions:

- Bank of America
- Capital One Bank
- TD Bank

WHEREAS, pursuant to the RFP, we have determined all of the proposals were responsive; and

WHEREAS, on June 26, 2013, the Commission approved Resolution #13-27, which authorized the Commission to enter into a contract with Capital One Bank, which submitted the proposal most advantageous to the Commission, for a three-year period with the option of two (2) three-year renewals; and

WHEREAS, contract negotiations with Capital One Bank, however, were unsuccessful and have been terminated by the parties; and

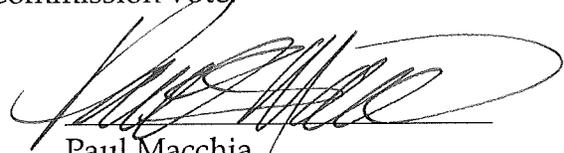
WHEREAS, after consultation with NJMC counsel at the Office of the Attorney General, NJMC staff is requesting authorization to negotiate a three (3) year contract including the option of two (2) three-year renewals with the TD Bank, which submitted the second most advantageous proposal. This authorization is subject to TD Bank's agreement to honor the terms of its original proposal dated May 21, 2013 submitted in response to the publicly advertised RFP. Those terms are, generally, as follows:

- An earnings credit rate of 0.45% on balances used to offset bank service charges; guaranteed for 3 years;
- 100% of any excess balances not needed to cover service charges will earn a rate of interest as follows:
 - Balances up to \$1,000,000 will earn a managed rate of 0.15%
 - Balances over \$1,000,000 will earn a managed rate of 0.20%
- FDIC fees waived;
- Commission deposits exceeding the FDIC limits will be fully collateralized by an Irrevocable Stand-by Letter of Credit.

WHEREAS, if the aforementioned terms significantly change after year one, the NJMC reserves the right to terminate the contract.

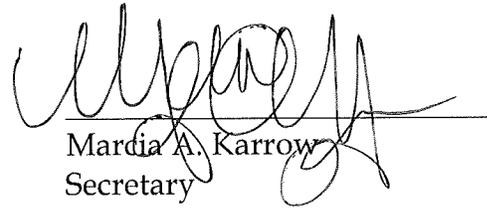
NOW, THEREFORE BE IT RESOLVED by the New Jersey Meadowlands Commission that the Executive Director is hereby authorized contract with TD Bank for a three-year period with the option of two (2) three-year renewals. Terms and conditions for the optional renewal periods will be established by mutual written agreement of the parties.

The foregoing resolution was adopted by Commission vote)



Paul Macchia
Acting Chairman

I hereby certify the foregoing to be a true copy of the resolution adopted by the New Jersey Meadowlands Commission at their meeting of November 25, 2013.



Mardia A. Karrow
Secretary

Resolution No. 13-46

Memorandum



New Jersey Meadowlands Commission

To: NJMC Commissioners and Marcia A. Karrow, Executive Director

From: Edward H. Bulmer

Date: November 25, 2013

Banking Services

Subject:

On April 18, 2013, the NJMC publicly advertised a Request for Proposals (RFP) for Banking Services. Pursuant to the RFP, proposals were due on May 21, 2013 and proposals were timely submitted by the following financial institutions. We have determined that all of the proposals were responsive.

- Bank of America
- Capital One Bank
- TD Bank

On June 26, 2013, the Commission approved Resolution #13-27, which authorized the Commission to enter into a contract with Capital One Bank, which submitted the proposal most advantageous to the Commission, for a three-year period with the option of two (2) three-year renewals. Contract negotiations with Capital One Bank, however, were unsuccessful and have been terminated by the parties.

Therefore, after consultation with NJMC counsel at the Office of the Attorney General, NJMC staff is requesting authorization to negotiate a three (3) year contract including the option of two (2) three-year renewals with the TD Bank, which submitted the second most advantageous proposal. This authorization is subject to TD Bank's agreement to honor the terms of its original proposal dated May 21, 2013 submitted in response to the publicly advertised RFP. Those terms are, generally, as follows:

- An earnings credit rate of 0.45% on balances used to offset bank service charges; guaranteed for 3 years;
- 100% of any excess balances not needed to cover service changes will earn a rate of interest as follows:
 - Balances up to \$1,000,000 will earn a managed rate of 0.15%
 - Balances over \$1,000,000 will earn a managed rate of 0.20%
- FDIC fees waived;
- Commission deposits exceeding the FDIC limits will be fully collateralized by an Irrevocable Stand-by Letter of Credit.

Terms and conditions for the optional renewal periods will be established by mutual written agreement of parties. If the aforementioned terms significantly change after year one, the NJMC reserves the right to terminate the contract.