

TOWNSHIP OF LOPATCONG
Planning Board Meeting
7:00 pm

August 22, 2018

Chairman VanVliet called the Planning Board Meeting to order. The meeting was held in the Municipal Building located at 232 S. Third Street, Phillipsburg, New Jersey.

Prayer was offered followed by the Oath of Allegiance

Adequate notice of this meeting has been provided indicating the time and place of the meeting in accordance with Chapter 231 of the Public Laws of 1975 by advertising a Notice in The Star Gazette and The Express-Times and by posting a copy on the bulletin board in the Municipal Building.”

Present: Members Pryor, Weeks, Mayor Mengucci, Vice-Chairman Fischbach, Chairman VanVliet, Alternate Steinhardt. Also present were Attorney Bryce, Engineer Wisniewski and Planner Ritter.

Old Business:

Minutes – July 25, 2018 – Chairman VanVliet approved the minutes as there were no corrections. All in favor.

Resignation Letter – Chairman VanVliet announced Eric Johnson sent a letter resigning from the Planning Board Class IV position and his spot will remain vacant until so filled.

Planning Board Rules and Regulations – No comments from the Planning Board members.

Resolution - I-78 Logistics Park – Block 101, Lots 1 and Lot 1.01 – Granting Amended General Development Plan Approval and Amended Preliminary and Final Major Site Plan Approval for Building 7 and Access and Site Improvements.

Member Pryor – Mr. Chairman, before we make a motion can I make a statement on that?

Chairman VanVliet – Certainly.

Member Pryor – In the original approval of the General Development Plan, I think it was about one year ago, September 2017, we made it a condition that all these approvals were subject to the execution of a financial plan. At the hearing, it was noted that we still don't have one. There's a condition in Mr. Bryce's resolution that says all previous approvals and conditions remain in force unless changed and George, I believe in your letter you mentioned something about was it COAH?

Planner Ritter – Yes. In our review letter, we indicated that the application would be subject to a COAH fee as outlined in a redevelopment plan.

Member Pryor – And COAH may or may not involve the financial plan that's under discussion so that whole thing is an open issue and I just want to make it clear that this isn't perfected until, in my interpretation, it's not perfected until that financial plan is executed.

Attorney Bryce – Yeah, I think Mr. Pryor you are right. The only thing that this resolution will do as far as conditions are concerned, is allow them to undertake certain site work improvements in advance of meeting all other conditions but it also envisions some type of developers agreement as well with financial that they have to enter into with the municipality for the appropriate bonding before they undertake significant additional site work that they're otherwise allowed.

Member Pryor – I think in this case, the financial agreement is particularly significant because it is a redevelopment project and the financial agreement is just an inherent, it is an important part of the whole process so, key part of the process I'd say.

Member Weeks – So you're basically saying that we should accept it so they can move forward and Joe, if I got it right, you're basically saying that we need to stop it and get

Member Pryor – No, no I'm not.

Member Weeks – what we need.

Member Pryor – I'm saying that, I'm just making it clear that that's a condition;

Member Weeks – A condition that must be met.

Member Pryor – one more condition

Member Weeks – Is it in writing that they met

Member Pryor – in the original one and if Mr. Bryce agrees with me, his resolution is probably sufficient. I'm just putting that on the record.

Attorney Bryce – That is correct.

Member Weeks – All right let's before my time.

Attorney Bryce – Yeah, and that’s also the financial agreements are beyond the jurisdiction of the Board. We can only just grant them approval or not but one thing, just to be clear, is that most of the, I’m going to call it, the Building 7 improvements, are all subject to the standard conditions including the financial agreement.

Member Weeks – Okay.

Attorney Bryce – That site work for the connector road, the grading that I believe it’s the temporary access, they’re being allowed to move forward without that condition begin met of all the conditions, okay.

Member Weeks – I gotcha.

Chairman VanVliet – All the conditions including the NJDOT approval for their intersection and everything else that we had conditioned still remain in effect. Okay, any further comments or questions of anyone? I’ll entertain a motion to memorialize that resolution.

Member Pryor – Well, with that clarification, I’ll make that motion.

Chairman VanVliet – Do I hear a second?

Vice-Chairman Fischbach – Second.

Chairman VanVliet – Roll call Beth, please.

AYES: Members Pryor, Weeks, Mayor Mengucci, Vice-Chairman Fischbach, Chairman VanVliet, Steinhardt.

NAYS: None

Chairman VanVliet – Now we’ll move onto New Business. This is Ordinance 18-10 – Amend chapter 199 of the code entitled “Stormwater Management”, Section 243-40 of the Zoning and Land Use Ordinance entitled “Preliminary Data”, and Attachments 3 through 9 within Chapter 243 of the Code entitled “Zoning and Land Use, which contain the various submission checklists to address new requirements in the Township’s Tier ‘a’ Municipal Stormwater General Permit and the requirements in the Township’s Highlands Petition. Any questions?

Member Pryor – I do have a question for Adam. As I understand it, the changes in permit really don’t affect the Stormwater Master Plan. They’ve added mostly these maintenance requirements to the ordinance.

Engineer Wisniewski – Exactly so this places new requirements on exiting owners of private stormwater facilities requiring them to perform maintenance as they already are required but now they’re required to submit logs of that maintenance to the Township to prove that they are maintain their systems and then for future systems or future projects to come before the Board and before the Township, they’ll have additional requirements during their design process.

Member Pryor – So, the Township is passing this as an amendment to their ordinance to comply with their new permit.

Engineer Wisniewski – Correct, an NJDEP permit.

Chairman VanVliet – So, do we have to pass a resolution on that or just

Attorney Bryce – What’s before the Board right now is a Master Plan Consistency Review. So it’s the determination of the Board whether or not the ordinance as proposed and now introduced by the Township Council, is consistent with the Master Plan.

Chairman VanVliet – Okay, so we have to determine that.

Attorney Bryce – Then if you do vote to do that, I did provide you with a Resolution so you can vote to make the determination as to consistency or inconsistency. If you find it to be consistent, you can adopt the resolution so that you can give that to the Township Council and they can go ahead and have their public hearing and vote on it.

Chairman VanVliet – Thank you. Does everyone have a copy of that resolution? Its review and finding Ordinance 18-10 consistent with the Master Plan. I’ll give everybody a minute to read it.

Member Pryor – I didn’t hear what was going on down the other end. Are you all right?

Attorney Bryce – Yeah you know what, there was just a question if you look at the top where the first whereas recital clause, it says the Township Council the Township of Lopatcong – usually that’s the Board so we just wanted to make sure it read properly Mr. Pryor and it does. It is just a format.

Chairman VanVliet – Further questions or comments? Okay I’ll entertain a motion to memorialize the

Member Pryor – I’ll move for the adoption of Ordinance No. 18-10.

Chairman VanVliet – Do I hear a second?

Member Weeks – Second.

Chairman VanVliet – Beth, roll call please.

AYES: Members Pryor, Weeks, Mengucci, Vice-Chairman Fischbach, Chairman VanVliet, Steinhardt.

NAYS: None

Chairman VanVliet – Also now under New Business we're going to have a public hearing on the Master Plan Housing Element and Fair Share Plan. I guess George you would be the one to do that for us.

Planner Ritter – Yes, as part of our settlement agreement in terms of addressing the affordable housing obligation for the Township, one of those activities is for the Board itself to review and have a new Housing Element and Fair Share Plan that addresses how we are going to meet, basically, our housing obligations in the Township and how we actually have responded to the actual obligation that we have for Round Three going forward. Essentially, what we are trying to address is the Round Three obligation of 152 units which are broken out as a rehabilitation share of three units prior round obligation of 56 units and a perspective need that's 1999 to 2025 of 93 units and what the reports try to do is go through and give a little bit of the history of the Housing Element itself gives you a little bit of history of the Township in terms of what type of housing is there, the history of development in the town to a certain extent. It (inaudible) in the town and then gives a great general overview of the sewer and water situation in the town to serve new development and looks at the town in a very general sense. The Fair Share Plan portion of this, which is in a second report, looks at and tries to specifically describe how we've met our obligation and what we are going to do moving forward for the rest of the Third Round period, that is, to the end of the Third Round which is 2025. Just to give you, the Housing Element as I said is pretty much just a general overview and I don't think it's a need to go into a great deal of detail but I think some of the interesting things that is in the Housing Element that has been picked up since the last one we did is really just the trends that the town has gone through over the last period actually from 2000 to today; 2018 and the biggest thing that has become apparent in doing the analysis is that essentially there's the amount of housing starts in the community seen severe drop which you're all probably familiar with but it's sort of came out to me that is a little bit surprising from the period from 2000 to 2006, the town was adding housing units about a rate of 154 a year that was actually a fairly substantial piece. From 2006 to 2014 which is the period we have which overlaps the end of the recession and coming out of the recession and moving forward, that pace dropped down to about 45 a year. So the pace of development in town for housing has dropped almost 38% during that period through the development. The other thing that became apparent is that in terms of development going forward, and this is in the Housing Element itself, is that most of your future development for housing is going to be the filling out of the multi-family projects that have been approved; Autumn Ridge, Sycamore Landing and that the opportunity to do relatively large single family developments is pretty much passed. Most of the parcels in town have been developed or they're located in your (inaudible) housing districts beyond the (inaudible). So the pace of housing is probably going to change and slow down over the period of time between now and 2025 with more emphasis on multi-family housing as reflected by the plans approved. The other interesting thing that came out of looking at some of the data, is that also which I think is going to change a little bit is actually jobs and employment in the community between 2013 and 2016 there has been a substantial drop off in employment which you probably also have a sense of but we've basically gone from a private sector employment of about 582 people down to about 409 and government employees have basically dropped also from about 199 to 184 so there has been a decrease in jobs about 29% in government jobs and about 7 ½% which obviously with the development of the Ingersoll tract you're probably going to see a pickup in development. The high cube warehouses tend to employ a great deal of people. The types

of numbers we might see there is pickup several hundred as that develops there might be the chance to pick up 100 to 200 employees at that site.

Member Pryor – George, these figures you're quoting, there for jobs within the Township limits?

Planner Ritter – That's correct. We got these out of various publications that we have down there. I'd have to look up the source but that's what we got as covered jobs within the Township and I guess the only other thing that is of interest in there, and again, something you are all aware of, is the main limiting factor to development, future development in the town, is really the availability of sewer gallonage which really caps almost any intensive development both for residential and obviously for further development of the industrial districts. So we're beginning to come up on that as one of the main reasons that development will basically stall in many ways because we just won't have the public infrastructure to support a particular store. That's just a quick overview of the Housing Element. It's more a background than anything else.

The Fair Share Plan which is probably most interesting for everyone here this evening and in terms of the Fair Share Plan portion of this and that is how do we meet our obligation, our affordable housing obligation. As I had indicated, essentially, our obligation has been established as 152 units. The Township as of today has credits that would equal 158 units so the first thing that you should be aware of is the Township currently has enough credits to meet its obligation for the 1999 to 2025 obligation. In fact we have a few more units to acquire. I don't know if you want to go into this but I could actually give you the credit breakout which developments in town are providing what. I don't know if that's something you want to see the detail on but suffice to say, the way the obligations are put together, the town has a few types of obligations. One of them is essentially, rehabilitation; that's bringing houses up to code. The second is a prior round obligation that's new construction that was put in between 1987 and 1999 and the perspective need is your obligation going forward to the year 2025. The Township, in this number, has a rehabilitation share of three units. That is being met by new construction in town. In other words, the Township used to have a Rehabilitation Program that's since been closed down and it does not have to be started again. Essentially, we will be able to meet our rehabilitation obligation of three units actually through new construction which is what we're allowed to do in terms of counting it. Prior round obligation of 56 units we have obviously the units necessary to provide that and we can and will meet that obligation with new construction. Perspective need to 93 units. Based on the housing that's built in the Township to date, we actually have 99 credits which mean that we have a surplus of six credits that will be carried forward. That's without any of the plans that the town has looked at to date as an example for Autumn Ridge, the one that you have approved, that when it comes on line will be in addition to the 40 units that they're constructing. Also several years ago, you approved, you didn't, the Zoning Board credited the Use Variance to provide the conversion of the school to eight apartments with one affordable unit that will also be carried forward, so you are up to 41. So that essentially, going forward, you'll be carrying on the books a total of , you have a surplus of six, you have Autumn Ridge which is 40, Delaware Park is one, so going forward, at the end of 2025, the Township, if it does nothing in that period, will be carrying a surplus of 47 units into the fourth round and along with this we have to talk about how we are going to, oh I should point out that obviously, the town collects development fees and you've been collecting fees for years and that goes into part of the Spending Plan and also how that money is going to be used going forward. Obviously, part of this plan is how you're going to spend or

use those resources to promote affordable housing and there are several ways that the town can, will operate under. First of all, they're what's called affordable assistance which is a mandatory requirement that a least 30% of the funds be used for assisting those that are in affordable housing for rental assistance and what they're saying there by that, there is a program where, for example, if you have affordable housing units and you have one home that's available for moderate income and then you have an individual that's very low income, and they can't afford to move into the unit, the Rental Assistance Program is to provide them with funding that they could actually, a difference between what they can afford to pay, and what that rent would be they can have assistance on that if they apply. So, we have a Rental Assistance Program that is being proposed. The other part of the affordable assistance is for security deposits. Let's say someone meets the financial obligation, can afford to rent the property, but doesn't have the two months security deposit. What this is, is a program where the town, in essence, would provide the security assessment to that individual who then can use that while they stay in the apartment or house and when they go to leave, the owner of that property then has to send the money back to the Township so it can be used again and any difference that's taken out of the security deposit for damages and that kind of thing, the individual who rented it has to make good on it so it should be a revolving fund in essence that's being set up and run through but that's one of things that we can do and can carry forward. The other aspect of it is to administer this whole program. The town's aloud to set aside 20% of the money for actually administration of the various programs. What is interesting is, is that the Township is fortunate that you're going to have probably a very large surplus going forward and to give you an idea on that, the fund currently has about 205,000 plus in the fund as it stands today. The projected income, and this is income as a result of some of the industrial, as an example, the plastics company, it also includes in there an estimate of income that would be coming from Bridge Development if they ever go ahead. What we're projecting with the fund between now and 2025 could have an income sitting around \$915,000. If you look at it from purely a breakout of what's required, 30% of that would be for affordable assistance which is about \$261,000 and administration would be 20%; you'd be setting aside about \$117,000 that leaves more than \$500,000 available as basically a, I hate to call it a slush fund, but what it is, is a fund that you will have available to use for projects that you can identify between now and 2025. So, you will have about a ½ million dollars available that you could use for rehabilitation if someone came in and wanted to do it, you could use it to support a conversion to accessory apartments and you could also maintain a certain part of that for support of a special needs and what that is is really if you have a non-profit group that wants to come in and wants to do a group home or something that the town wants to support, there would be money available to help them get into the building with that. So, the town is very fortunate in the sense that it has met its obligation, can meet its obligation going forward, you'll have a surplus and not only will you have a surplus of units moving forward, you actually should have a fairly good substantial fund available to promote and carry forward affordable housing opportunities in the town. In the process that you're looking at here tonight is that looking, now hopefully, and I'll try to answer any questions you have, that the Board could approve the Housing Element and Fair Share Plan. The Spending Plan which I just gave you a very quick over view of, is actually would be sent up to Council for their review and approval. Once those three aspects are done, that would go back to the courts then and hopefully to close the books on, compliance and hopefully get a certification from the Board's that we met our obligation and basically can proceed with closing the books on the Third Round with COAH. That's a very quick overview. If you have questions, go ahead and shoot.

Member Pryor – I did have a few George. Something like Sears, obviously, that's going to be redeveloped. We would get more funds out of that?

Planner Ritter – Yes, the one thing I forgot mention is obviously, you're, basically, you have which will carry forward, your Fee Ordinance. So, any development that comes into town, if it's residential but does not include affordable housing, they would be subject to the 1 1/2 % fee of the assessed evaluation. They would pay and that would go to the fund. Commercial/Industrial Development is 2 1/2 % which was set by the state. So, as we move forward, and some of that revenue was estimated into what we put into the Spending Plan for Council's consideration, but anything that comes in, even ones that we didn't think of here or that we don't even have knowledge that they're going to happen between now and then would be subject to the funds. That Fee Ordinance is currently on the books and will stay on the books.

Member Pryor – I guess the other question I have, something like that strip mall on Strykers where there's a bunch of small stores and now it's going to become medical office buildings, but the structures not going to change, St. Luke's I guess is going to take it over, we would get something out of that or no?

Planner Ritter – No, this deal is with new construction.

Member Pryor – Just new construction.

Planner Ritter – Simple conversion of a building won't generate more funds. If they all of a sudden expanded it and the assessed evaluation would go up, yes you'd get it on what was expanded but no if it's just switching over, you know, and it's the same building, you supposedly paid it once.

Member Pryor – Yes though it is a change in use I guess or whatever, you know,

Planner Ritter – Right now.

Member Pryor – All right.

Planner Ritter – But like I say, it's very fortunate the Township is going to be in good shape going forward, you're going to not only have a surplus in units, but you're going to have a surplus of cash to deal with. In the Spending Plan that we put forward is very conservative because and I'll be very franc with you the reason is, is that we did not want to overestimate the funds you were going to get because you don't need the money for programs right now. You met your obligation and in the Spending Plan we had to come up with reasons of how you're

going spend it. So, if I pump up the numbers, for example, and estimate really high, it's actually your binding yourself into the program that one, you may not collect the money and be able to fund it or two, we'll go back to the courts with a huge dollar number that just says, "well it's here and we have intent to spend it, but we haven't figured out how".

Member Pryor – I have one more question along those lines. Does something like Habitat for Humanity would that be a valid

Planner Ritter – Yes, yes because even in the Spending Plan that we have suggested to go up to Council, we have left in there a little over \$378,000 for supportive needs so, if a Habitat came in and said we want to build this unit, we'll agree to all the restrictions on the unit, but gee we'd like \$50,000 or whatever it is to help, you have the money available that you can provide assistance.

Member Pryor – Yeah, I just want to say this as a Council representative, I would rather promote ownership than, you know, rent. Like people to have a little skin in the game and enjoy being an owner and that could consume the money rather than run around with this pot we could consume it for a very valid constructive purpose so.

Planner Ritter – And, what we should

Member Pryor – I'm sure we'll be discussing

Planner Ritter – Well, we've said that the Spending Plan is that we've listed these things that you could invest in, but we don't actually have a project.

Member Pryor – I gotcha.

Chairman VanVliet – But it gives us flexibility in the future if the project does come to us, we can spend the money pretty much where we want to as opposed to being locked into something right now.

Planner Ritter- Well, right and it actually, if we moved it up into a column of a project you're going to do, then somebody would actually expect it to happen. Here you're saying that we have the money, we're going to look for projects, these are the kind of projects we want, but we're not saying that three years from now you're going to have another ten houses over on this corner, that kind of thing. I think that's probably the best way to play this at this time, but we also broke it into a few categories so it gives you some options because supposedly the money in the Affordable Housing Trust, not supposedly, actually, the money in the Affordable Housing Trust Fund is supposed to be spent only on items in accordance with the plan. So, if all of a sudden you

came up with a wonderful project you wanted to fund and you have money for it, and it isn't listed here, in actual practice, you're supposed to amend that plan and I'll toss this back to our attorney since this is no longer with COAH, the way that used to work, it worked very well under COAH, you just simply informed them of what you are going to do, the restrictions you were going put on it, send it up to them and they wrote back and said your plans amended. That's while they existed. Well now that it's in the courts, I'm not quite sure

Attorney Bryce – Yeah, I don't know if that's been addressed yet how you actually get that amended, I guess ratified and if court approval, if less will be needed but the notice to all of the interested parties which it would also include, Fair Share Housing and everyone else

Planner Ritter – Yeah, I don't know

Attorney Bryce- I don't know either

Planner Ritter – under the system.

Attorney Bryce - unless it's already taken care of by virtue of the settlement agreement.

Planner Ritter – Well, we've taken care of our settlement agreement, but the excess funds

Attorney Bryce – had them modified

Planner Ritter – Oh ok.

Attorney Bryce – that may be addressed but I'm not familiar with it, the settlement agreement.

Planner Ritter – but that's a bridge that we can address if and when we have it. While COAH was ineffective over the last many years, the way amendments were approved was a phone call and they said, yeah that sounds good and that was it. That's how it was operated on new projects for about the last ten years but I'll be honest with you, in one of the other towns I have, we did five or six projects using that method. We have nothing in writing and approved but that's how it was done then. The documentation is there. I mean I'm not worried about it. It's something that may be to be addressed in the future, but like I say, I think it's a, the Township's fortunate with where it is now compared to many communities that are struggling with this.

Member Weeks – George, do you feel and I realize it's only seven years away, six years 25th, away all right, do you feel when we hit that 25th year, that the town will be in top of the line condition or are we going to have to struggle to come up with things to you know,

Planner Ritter – Well, given the history

Member Weeks – Well, I know it's the history you can't pick out

Planner Ritter – I think in the end, you're going to need more of the surplus that we have.

Member Weeks – That's what I'm asking you.

Planner Ritter – If COAH or if the numbers are calculated the way they have been over the years, and through all the court gyrations, I don't see the obligations going down. In other words, you're obligation now for

Member Weeks – Even if our growth slowed down.

Planner Ritter – Well, I think that will help. I think one of the things that is benefited Lopatcong, is you actually do have a broad range of houses which when you run the computer model, actually helps you because it says more of your units are affordable and your numbers tend to stay a little bit lower, substantially lower than some of the other towns that work with, that don't have the broad range of, they have a mix of housing but they don't have the price difference that you have or the variety but I would say that, you know, if, if this period you came up with 93 units that's perspective need, my guess is, is when they run the numbers again in 2025, the number would hover around 90

Member Weeks – Well, I understand those, but I what I was trying to get out is, is it something we should work on and if it requires certain things to be able to make sure we're there, when we get there not scrimmaging around like, you know, again maybe we need to find this, know all of a sudden it's like we just got to put it here. I don't want to just put it here; I want to know where it's going.

Planner Ritter – Well, I think you have the money and I think it's important that over this remaining period, that the town remains active in trying to encourage it. There a lot of ways to do it. Obviously, the most efficient way compared to doing inclusionary housing where you only get 20% affordable out of it, is if you can partner with non-profits, because then you do it by bed count. There is a lot of ways to cut it up and do it but I would say that yes, you shouldn't just put this on the shelf and say

Member Weeks – That's what I was trying to say

Planner Ritter – You know

Member Weeks – keep active

Planner Ritter – Yeah, I can keep active and you try to create some opportunities. All it is, you don't have a gun at your head to absolutely pound out these units. So yes, I would not put it totally on the back burner.

Chairman VanVliet – I think the, personally, I'd like to thank George for the number of years that we've been involved in this since 94 I think, when Mount Laurel first came in

Planner Ritter – Yes.

Chairman VanVliet – and we've been working through this and I've been around about 20 years on the Planning Board and we negotiated our way through it very nicely. We always were within striking distance of meeting our obligation or exceeded our obligation. One hitch that came up is when the state wanted to confiscate all the funds.

Planner Ritter – Take the money back.

Chairman VanVliet – Take the money back that we had accumulated and still enforce us with doing other things but we negotiated around that nicely. You know, I think a lot of the credit at where we are today, sits right there with that gentleman.

Planner Ritter – Well, I appreciate that, but will also say that in support of the town, the town is actively engaged in providing the housing. You have addressed it. You've stood up there and approved the affordable projects, the inclusionary projects and you've tried to address it which is more than I can say for some towns. So, the fact that were able to meet it and get ahead, also goes with this Board and your Township Council quite frankly, I mean your willingness to address this is really what got us here, you know, like I say if you weren't willing to do that, it didn't matter what (inaudible).

Member Steinhardt – I have a question. I'm not too up, I trying, this is something I'm trying to familiarize myself with. I'm not too familiar on how it works, but does the Township does it have an obligation to actually build like affordable housing itself or is it like a private entity coming in and building it to meet our regulations and numbers?

Planner Ritter – You have an obligation to try to provide this housing. It can be done through zoning which means the town doesn't really just zone. It can be done through non-profits that basically supporting their development but the town has the official obligation to come up with a plan of how they're going to meet it and this happens to also be part of the court settlement. I mean, we had an objector in here that quite frankly we settled with him and got 40 units out of it just private investment providing the 20% set aside which by the way is being applied to the next

round and we didn't need it for this round, quite frankly. So, but it is an obligation. As an example, the Spending Plan, the fine print on the Spending Plan says that the Township Council approves this but if the remedies don't meet my projections, the town has to still pay for it. So, I mean there is a little (inaudible) that involves the town that they could be stuck with.

Member Steinhardt – Is there a private entity could come in and build housing with the Township being responsible for

Planner Ritter – Well, the Township is responsible for meeting the number. If you zone for it, then the Township doesn't have to have any money involved, it would just have to zone for that number, but if there's programs that are in it like rent subsidies, the thing I mentioned the 30% of it has to be spent. The town's on the hook for spending that money

Member Weeks – The Piazza Tract is part of that.

Planner Ritter – That's part of the settlement.

Member Weeks – That will be part of the settlement, all right.

Attorney Bryce – There are some towns that actually do have housing authorities that actually build housing.

Chairman VanVliet – Phillipsburg is one of them. That's one of the things that we are concerned with day one that fact that has a small community, I don't think we could have afforded to have a housing authority within our Township.

Member Steinhardt – Because, don't housing authorities have different regulations to meet than like a private entity coming in helping them, they do numbers different and percentages, okay.

Chairman VanVliet – Obviously, it comes under HUD, federal supervision as opposed to coming in so

Planner Ritter – And some of these programs can be managed by the town, Beth can go into it but the town managed the Rehabilitation part of this under the last round and took care of that. I think the County qualified them income wise and then the town handled the actual setting up the program so there can be all kinds of partnerships there. I will say that under many of the agreements that are dealt with Fair Share right now, even where there is non-profits, some of those agreements have been if non-profit agrees to build ten units in town and Fair Share has been as part of the settlement saying that's okay, but if they don't build them, the town will build them. That's actually in part of the settlement agreement in several towns or the town will get

ten units for this group but they'll put up \$500,000. I mean there's been some real dollars passed around in some of these.

Member Weeks – How many years ago was that because they had where you could come in and they would like put a new furnace in for you or

Members talking over each other.

Planner Ritter – That was a program the town ran and you still can. COAH provides that you can apply up to \$10,000. That's a minimum of up to \$10,000 in rehab money if somebody comes in and qualifies they can get the money for a new furnace, new roof, bring the house up to code.

Member Pryor – Wasn't HUD, didn't HUD have a similar program?

Planner Ritter – Well there, I'm not going to touch that with a ten foot pole.

Vice-Chairman Fischbach – There were programs that would allow you to do (inaudible) the first thing you had to do to the house was bring everything back up to code and then if there was money left over on the grant, then you could do other things but, you know, roof, electrical, right furnace stuff like that.

Member Weeks – And necessities.

Planner Ritter – In the program, we've left that option in here. If the town wants to start that again, they can. It's not necessary, but they can. We put money specifically in here for that if they want to do it. The same way with accessory apartments, we've put money in there for, if you wanted to assist people or renovate an accessory apartment for affordable housing, the town can contribute up to \$20,000 towards that if they wanted to. Again, it's not mandated in here just here if you want

Chairman VanVliet – Gives us another option.

Planner Ritter – Yeah. I'll be honest with you. I tried to put those options in loosely only because I didn't know how you amend the plan later, I would of missed it in here so that you could sort of pick and choose as you go forward.

Chairman VanVliet – I think that is a good option to take; list as many options as you possibly can. We can always go forward with an attempt to amend it.

Planner Ritter – Yes, definitely. I mean and if you have more revenue come in, you can expand your program.

Chairman VanVliet – That’s one of the other things that we hopefully the Board will agree to adopt this tonight because we are under a kind of a deadline from the courts to adopt the Fair Share Housing Plan by August, get going I guess the Town Council

Planner Ritter – We want to go back to our conformance and hearing before the courts coming up September, sometime in September, which hopefully, that will get us that part of it done and be out and done and finished.

Chairman VanVliet – And all we’re really doing here is recommending to Council that we approved it and passed it and then they won’t have to adopt a new ordinance to go with it. Am I correct in that assumption?

Planner Ritter – Yeah, you’re going to hopefully, do a resolution tonight adopting the Housing Element and Fair Share Plan.

Attorney Bryce – Amending the Master Plan.

Chairman VanVliet – Amending the Master Plan.

Planner Ritter – The Council then will hopefully, and again, this gets down to I don’t know how procedures change exactly with the court, the Township Council would then normally, and jump in here if I’ve gone off the deep end, but Township Council would normally adopt a resolution essentially recognizing that they support your Housing Element and Fair Share Plan and then they would actually adopt a Spending Plan and then that will all be packaged and sent up normally to COAH but it’s instead going to the courts.

Member Pryor – Yeah, George I’m not 100% sure about what I’m going to say but if I’m not mistaken, the numbers are the numbers. They’ve been negotiated, they’ve been through the courts, there’s really not much you can do to unwind that without messing up the whole thing and I think one of the conditions, it’s not a mediator where they call them the Master, they wanted this, they wanted the settlement incorporated in our Master Plan.

Planner Ritter – Correct.

Member Pryor – So, this is all very mechanical today, it’s fair; it’s taken place over a long time. As I understand it, we were one of the first to settle and having been involved in this, the first numbers I saw were humungous. This is a very, very fair settlement. So, as the Council

representative, I would encourage the Board to, you know, approve this and let's all move forward.

Chairman VanVliet – Thank you.

Planner Ritter – Yeah, the numbers have come down considerably. Fair Share was originally was standing in front of us telling us we had an obligation of more than 200 units pushing 300 which obviously they've agreed to this lower number. This is the number they've agreed to now and let us go ahead.

Chairman VanVliet – Any further questions? All right John, do you have any questions? We'll open it to the public for comment.

John Betz – Affordable Trust Fund is totally for building these type of situations; housing.

Planner Ritter – That's correct.

John Betz – Can't mix

Planner Ritter – It's supposed to be used exclusively for affordable housing; that's correct.

John Betz – Now the restoration funding which can be used for refurbishing housing. That can be used; can that be used in apartment areas?

Planner Ritter – Well, it's to bring

John Betz – To bring more units on line

Planner Ritter- Up to code as long as you're income qualified. They have a list of qualifications in order to bring it up to code.

John Betz – Now, the other thing is that it is true that there is a difference between housing authorities and housing agencies; they work differently with some of their regulations so there is a difference and the other question is you mentioned something about a 20% security deposit. What was that referring to because I was under the understanding that the maximum that could be charged in New Jersey was 1/ ½ months security?

Planner Ritter – No, I'm sorry. There is a, the town is allowed to spend 20% of the affordable housing funds on administration. The security deposit it really a program to assist people when I

said (inaudible) that's normally what you have to put up. No, this is whatever the law allows in terms of security deposit, this is to assist people to meet, if it's one month, I said two.

John Betz – And that's what can be in that trust fund?

Planner Ritter – Out of the trust fund and it's normally set up as a rolling account. In other words, you spend the money on the person who leaves that unit, the owner of that unit refunds the security deposit back to the town and if he takes money out of it because the guy trashed the apartment, the guy that's leaving has to (inaudible).

John Betz – And that's town specific. It's not anything outside of the town.

Planner Ritter – That's right. Well, it's, it's town specific and it's only applicable to already affordable units that will be set aside.

John Betz – Okay and just one other question which is I don't know the answer to and I don't know if it is an appropriate thing to ask but I know just recently Council has adjusted some type of situation with Sycamore Landing being able to primarily build regular, I'll call it regular because I don't know what you really call it, regular construction housing over there and regular rental level housing

Member Pryor – No, I can address that.

John Betz – Yeah okay Joe.

Member Pryor – Yeah, the number of units, the number of low cost units have been changed and in their development agreement the idea was to try and bring the low-cost housing units on line throughout the building process and they got behind and it had to do with the way the buildings were laid out there was some delays and, you know, some units, the whole building and so on, so what we did is we let them delay them. They're not forgiven, they're going to finish the building they're working on and then these things will come on a little later than the original schedule.

John Betz – Now the next question is, are they required to finish their development or could they dump it at the end.

Member Pryor – People go bankrupt. I don't know. I'll refer to our attorney there.

John Betz – I mean outside going bankrupt.

Attorney Bryce – That’s a difficult question. Generally, developers are going to try to finish it. Performance guarantees will not generally guarantee the completion of the development.

Member Pryor – You know they’re renting when they open. I mean there’s people lining up there to rent it.

John Betz – They couldn’t change the 4 year 47 whatever’s in there.

Member Pryor – No, the number of the units was prescribed. When I call in there, there’s so many they’ll cost one-bedroom, two-bedrooms, three bedrooms and they’re going to be held to that number; that didn’t change.

John Betz – All right okay.

Planner Ritter – The other thing is that in our agreements and I know they got behind, there is an actual piece. In other words if they build the first 10% of the units can be market rate, second 20% they got to build a certain percentage of the affordable. We actually have a schedule in here that as an example Autumn Ridge will have to follow. The guarantee that they affordable units come on line along with the market units so we don’t get the risk of the guy building all the market rate units and then declaring bankruptcy and walking away without putting the affordables in. Our schedule here actually establishes how they have to do it.

John Betz – Okay so now that Council has given the opportunity to Sycamore Landing to push those off to the end.

Member Pryor – No, it essentially involves like completing one building and then

Chairman VanVliet – Go to another one.

John Betz – Doesn’t that get you like checkerboard like just one and then another

Member Pryor – You know how they build a unit. You know, they got so many units in a building. They got delayed with a building and then prevented some of these from coming on and they want to finish the building they’re doing and get the units rented and they’ll catch up.

Chairman VanVliet – If I remember correctly, they were supposed to have the affordable units spread throughout Sycamore Landing. It wasn’t all supposed to be in one building.

Planner Ritter – Right. I think, well I don’t know. I don’t want to, I’m not sure.

Member Pryor – I don't want to misstate the details either but when it was presented it all seemed quite plausible.

Planner Ritter – Yeah, I think right now they have the, they're actually cleaning up that place. Almost all, I think all the buildings are under construction right now. They're not finished but I think they are.

John Betz – And you go to Autumn Ridge; is there anybody who knows when that will start construction.

Engineer Wisniewski – They want to start this fall. That's what I've heard so.

John Betz – Okay, then I read the plan. I have the plan you gave me so.

Engineer Wisniewski – Yeah, they had an issue with the TWA application.

Member Pryor – That's been resolved.

Engineer Wisniewski – Right, so they've passed that hurdle. It's currently in DEP getting reviewed so that's their last kind of major thing that's holding them up.

John Betz – And then all over that senior housing is still on that. All right thank you very much.

Chairman VanVliet – I'll ask if there is any other public that's wants to comment. Seeing none, we'll close the public portion of the hearing and if there aren't any further questions, I'll entertain a motion

Member Pryor – I'll make that motion.

Mayor Mengucci – I'll second it.

Chairman VanVliet – Roll call Beth please.

AYES: Members Pryor, Weeks, Mayor Mengucci, Vice-Chairman Fischbach, Chairman VanVliet, Steinhardt.

NAYS: None

Chairman VanVliet – Okay.

Planner Ritter – Thank you.

Chairman VanVliet – Okay again, John you have any questions on anything else? That's it for audience participation. We'll close that portion of it and I'll entertain a motion to adjourn.

Motion by Vice-Chairman Fischbach, seconded by Mayor Mengucci. All in favor.

Respectfully submitted,

Margaret B. Dilts
Planner Board Secretary