

**Cape May Court House, NJ
TOWNSHIP OF MIDDLE
TOWNSHIP COMMITTEE
WORKSESSION AGENDA
November 18, 2013 4:00 P.M. (prevailing time)**

CALL TO ORDER:

Mayor's Announcement: I hereby declare that notice has been given to the Herald Times, the Atlantic City Press and posted on the bulletin board of the Middle Township Municipal Building, stating the time and place of the following meeting, as required in P.L. 1975, Chapter 231 of the State of New Jersey. (Sunshine Law).

Notice of this meeting was properly given in Resolution No. 18-13 entitled "Establishing Work Session Meeting Nights" which was adopted by Township Committee of the Township of Middle on January 3, 2013.

Members present are Mayor Lockwood, Committeemember Donohue and Committeemember DeLanzo.

Business Administrator Connie Mahon, Township Clerk Kimberly Krauss, Deputy Township Clerk Suzanne Stocker, Municipal Solicitor Marcus Karavan & Municipal Engineer Marc DeBlasio.

FLAG SALUTE:**DEPARTMENTAL REPORTS AND PROJECT UPDATES:****Administration:**

Discussion on "Patsy's Way" Housing Development

Connie Mahon – Presented Resolution of Need with Exhibit A which gives additional information on project, Petition presented to Township by concerned residents in the area, answers to questions from Zoning Official, Planning Board Engineers review of the project and indication that the application is complete based on prior subdivision.

Mayor Lockwood – Reviewed last meeting and questions/concerns of residents in that area. Spoke of request for Resolution of Need which would provide for the developer to obtain additional funding with exhibit with sets parameters for the Resolution.

Keith Davis, Esquire, Attorney for Developer – Resolution of Need is not required in order for this project to move ahead, but would qualify the project for additional funding to allow developer to enhance the properties, such as garages. Without the funding from the Resolution of Need, these enhancements may not be done. The additional funding would allow a better project in the area.

Mayor Lockwood – Establishing a need for the Resolution of Need would be the first step in determining if we would move forward.

Connie Mahon – Spoke to Director of Cape May County Department of Disabilities and Aging. Read into record letter received from Paulann Pierson, Disabilities Coordinator dated November 18, 2013.

Ron Ruckenstein – mentioned that referral fees are based into the project, there is a line item available to pay social services for the referrals.

Ron Ruckenstein – Answered questions ready by Connie Mahon in letter from Paulann Pierson: United Cerebral Palsy of Northern, Central and Southern New Jersey, Inc. is the Chapter which the developer is partnering with, together with some local entities such as MRC, CMC Department of Disabilities and Aging, Cape May County ARC. Will also reach out to other local agencies that interact with disabled families. First preference would be given to Cape May County residents.

Mart Burkstein – Continued to answer questions from letter: Main funding program is the low income housing funding program. Rate is based on 60% of County medium income. Anticipated rental rates are about \$800/month. IRS prohibits discrimination against Section 8 housing. Source of payment cannot be restricted.

Mayor Lockwood – Asked Keith Davis, Esquire about discriminating about source of payment, but can give deferential treatment to families with special needs.

Keith Davis, Esquire – We are taking guidance as we receive it. We will follow the law as it stands.

Committeemember Donohue – Asked for clarification on definition of "special needs".

Ron Ruckenstein – Understands that developmental disability affects three or more of your daily activities; eating, walking, talking, dressing, etc. Developmental occurs as you are a child. Physical disability is due to a car accident, veteran, etc., which is affected the same way. Unable to maintain life with daily activities. Could be family of one disabled person, but homes are three bedrooms.

Committeemember Donohue – Resolution of Need is not on the agenda for this evening. Would like to allow public to have comment and questions. Clarified that nothing is needed by Township Governing Body to move forward with project.

Keith Davis, Esquire – That is correct. Subdivision has already been approved and can move forward as it stands. State has issued that there is a need for affordable housing for special needs in the area, which is what the developer is trying to do. Additional funding from Resolution of Need would provide nicer homes for the project.

Committeemember Donohue – Asked about advantages to this project being the first project which offers single family homes as affordable housing for special needs.

Ron Ruckenstein – It is less expensive to do one contained structure, rather than single family houses. The state has offered us funding for this unique project offering single family homes. Finance is usually the biggest factor and why this type of project has not been done before.

Keith Davis, Esquire – Stated that these homes are also on 1-acre lots which makes it even more unique and has not been offered before in affordable housing projects.

Committeemember Donohue – Asked if rental cost is based on additional funding from Resolution of Need. Asked if items in exhibit for Resolution of Need are contingent on the passing of the Resolution of Need; if Resolution of Need is not passed, these items will not happen?

Ron Ruckenstein – Would not affect rental costs. This project is funded based on special need requirement. Our ability to design and enhance the fund is based upon us acquiring the additional funds. We would still be able to move forward with the project, but without as much detail or enhancements to the homes.

Committeemember Donohue – This is the first time that we have heard that any aspect of the project is contingent upon this Resolution of Need. We have been told all along that this is special needs affordable housing. We were never told that it wouldn't be if we didn't pass the Resolution of Need.

Ron Ruckenstein – Will take some of the blame for that, this is the only way the project could be done. This will make it a better project. Originally showed a board for a two-story house, but not based on special needs. After conversations with local agencies, we determined that this project would be a better fit for the community. It was my intent to not set a tone that 'if you don't do this, you won't get that'.

Mayor Lockwood – Believes that there was a representation from the beginning that this project would benefit special needs. There was no Resolution of Need requirement as it was waived for the Hurricane Sandy Relief Fund. There was no discussion for additional funding needed. This was represented from the beginning that this would target special needs, if not by you, by the State. Martin spoke about his family at the Press Conference.

Committeemember Donohue – If we do not pass the Resolution of Need, will this project be constructed as strictly traditional affordable housing?

Keith Davis, Esquire – Developer would have to look at the numbers. With the funding in place with Resolution of Need, we would be better able to equip the project for special needs.

Mayor Lockwood – Is there any mandate or regulatory component from the state after the second funding is issued, that the State is going to stay involved?

Martin Burkstein - It is not mandated, voluntary.

Committeemember Donohue – Does not doubt that there will be a list of families that will want to live in this development. Feels as though Township is being put in the middle.

Keith Davis, Esquire – Following rules created by HMFA. Did not intend to put the Township in the middle. Would like to offer a project with a special needs component.

Committeemember DeLanzo - Shocked to hear this information tonight, missed last presentation. Aware of concerns of residents and thought that a Resolution of Need would address concerns, but now is taken back that it is not that situation anymore. Shares concerns with residents. Was not expecting Resolution of Need to control the enhancements of the homes.

Committeemember Donohue - Read paragraph into record from Exhibit A from Resolution of Need. Without this Resolution of Need, you will not complete these additions?

Ron Ruckenstein – It is an Exhibit A. Not sure how you would have gotten from this that we would do those without the Resolution of Need.

Committeemember Donohue – So if we do not pass the Resolution of Need, you will not sit down and address the stormwater issues?

Keith Davis, Esquire – Correct, we have no obligation.

David May, Zoning Official - Whether Committee approves or denies the Resolution of Need, plans have been reviewed to make sure they meet current statutes and before the project begins, the plans will be reviewed by Township Engineer prior to the pre-construction meeting where issues will be addressed.

Mike Butterfield – Asked what the relationship is between the Cerebral Palsy Group and developer? Doesn't understand why the CPG wouldn't be fighting like hell to make sure this project funded. Mentioned that they should have made it more clear about the project by bringing in residents who are affected and may be interested in a property such as this. Has not seen representative from CPG.

Martin Burkstein – Attended Disabilities Awareness Day in Avalon last weekend and started talking with people who would benefit from the project. The project benefits Ron as a developer, not the CPG. CPG supports the project. My goal is to make sure that it is the focus to be a special needs project.

Burgess Hamer – Any other area in CMC that has this project? Why here? Believes Township is the "Escape Goat" for the project?

Keith Davis, Esquire – Improved subdivision already approved with aides in the development of this project. There is a need for this in the community.

KP Arenburg – Asked why the presentation boards were not being shown tonight. Suggested them being set up during discussions on this topic. Did those pictures show the homes bare bones, or with enhancements with the additional funding.

Ron Ruckenstein – Pictures showed houses with additional funds being provided.

Mike Butterfield – Pictures presented last month were as the project was presented to us, regardless of Resolution of Need.

Peggy Mathis – Spoke of deed restrictions that would not approve proposed housing.

Keith Davis, Esquire – Homes will be built according to building code requirements. Aware of deed restrictions and will comply with same.

Mayor Lockwood – Ms. Mathis is speaking of the standalone lot on Tally Ho Road which has a separate deed restrictions.

Henry Spaulding – Spoke of local landfills in the area.

Keith Davis, Esquire – We will receive all permits and approvals from Cape May County and any other necessary standards for water, septic, etc.

Mayor Lockwood – Believes it has been made clear that developer will follow standards, regulations, approvals, etc. when developing the project.

Dana Tyndall – Requested a Phase I study be done of the soil on the property.

Keith Davis, Esquire – Believes that approval will be required by Cape Atlantic Soil Conservation. May have already been done, but if it is required, it will be done. We attend pre-construction meeting to make sure drainage issues are satisfied as well as any other issues.

Dana Tyndall – Spoke to DEP which indicated that they do suggest a soil study of the property.

Keith Davis, Esquire – Will satisfy any requirements.

Boris Wisely – How will Township handle necessary resources and the costs needed for the project.

Keith Davis, Esquire – Same as any other development in another community. It has been approved and recorded. There will always be some sort of municipal impact, no tax abatement. Taxes will be paid for services just as any other household.

Madelyn McCarroll – Concerned with attitude being presented by attorney and developer. Concerned about people who may reside at the property with drainage issues. Presented photos of firefighters pumping out water, residents kayaking on the property. Spoke with DEP, asked about CAFRA review – advised that there was none.

Keith Davis, Esquire – Here to state the facts as it relates to the government and the law. Here to request a Resolution of Need for the project. Property owner has obligation to take care of any drainage issues and be approved as needed. All approvals and requirements will be met.

John Martorana – Can developer continue to purchase the property without the additional funding from the Resolution of Need?

Keith Davis, Esquire - Funding is in place for the project. The Resolution of Need covers the enhancement for the project.

Delores Spaulding – Under the impression that they are getting money from federal fund and cannot discriminate against who is using the property; does not believe there is any guarantee that it will be a project for special needs. Believes this will become a “ghetto”.

Mike Butterfield – Ask for clarification about last month’s presentation, if additional funding is not received, then last week’s presentation is not accurate as to what is going to be developed?

Ron Ruckenstein – The purpose of last month’s presentation was to request a Resolution of Need. There is no other reason that we would have to appear before Committee.

Mike Butterfield - When meeting ended last month, I was under the impression that the homes which you presented were what was going to be built. Now you are saying that is not the case.

Ron Ruckenstein – These are the homes which I am prepared to put in, but request the Resolution of Need for additional funding to bring the property to that level.

Mike Butterfield – Believes anyone would support funding for a special needs family and would welcome into the neighborhood. What is being presented tonight is ‘I’m a developer who has a property and Im going to put in what I want without any community input’.

Ron Ruckenstein – If we do not get the Resolution of Need, we can still proceed with the project. The Resolution of Need which lists what I am prepared to do if we get the additional funding. We are ready to be accountable for everything that we have said, if we get the Resolution of Need.

Betty McGurk – Asked if there was any competition with getting additional funds?

Ron Ruckenstein – No competition. HMFA is willing to provide the additional funding once the Resolution of Need is received. The funds would be available in February.

Connie Mahon - Asked when developer first applied to HMFA?

Ron Ruckenstein – May 31st

Mayor Lockwood – Gentleman at last meeting showed the project in August but we never saw it.

Ron Ruckenstein – We applied in May, and then they go in front of the Board which could have been in August.

Dana Tyndall – When will ground breaking be if settlement is within the next few weeks?

Ron Ruckenstein - We are not going to settlement until these concerns are satisfied. It depends on how these issues get resolved.

Keith Davis, Esquire – Financing is contingent upon getting government approvals.

John McCann – How many square feet is proposed house (in picture).

Ron Ruckenstein – Approx 1,400 sqft., not including garage.

John McCann – Asked if there is a 1,800sqft home deed restriction in that area.

Keith Davis, Esquire – There is, but it can be amended by 2/3 majority vote by lot owners in the subdivision. Applicant will comply with terms and conditions with deed restrictions.

Mayor Lockwood – The developer owns all of the lots when they go to settlement. They can stand up the association, control the votes and can amend the deed restriction.

Madelyn McCarroll – Last meeting developer indicated that he does not need the Resolution of Need. Finds it hard to accept what he is saying today, based on last month’s presentation.

Ron Ruckenstein – Last month discussed that certain funds require the Resolution of Need, others do not. Resolution of Need is needed for one funding source, not needed for two other funding sources.

Mayor Lockwood – Stated that at meeting last month there was no request for a Resolution of Need. Many questions and concerns came with the request for Resolution of Need which was received for this meeting.

Betty McGurk – HMFA funding, has environmental review been completed?

Ron Ruckenstein – Environmental Assessment was done, Phase 1 was sent to NJ Housing and Mortgage agency for review.

Peggy Mathis – Presented developer with a copy of deed restriction for Tally Ho property.

George Tsamis – Tally Ho property is not subject to amendment for deed restriction.

Ron Ruckenstein – Understands that there are two separate locations, but managed and financed as one.

KP Arenberg – Asked if one of the 9 houses on Patsy’s Way will be a house for a property manager?

Ron Ruckenstein – That is what was discussed. We felt this would make the community feel more comfortable with this project if there was someone available 24/7, on call, to respond to any issues. This item is contingent upon the Resolution of Need.

David May (as resident) – Understands concerns of residents but wouldn’t you rather support Resolution of Need and rather have something nicer in the area? Project is going to be built either way.

Dave Cohn – Believes project was misrepresented in last presentation. Asked if staff home will be a person approved by affordable housing, or a separate individual? Will homes be rented as they are completed, or after all have been completed? Timeline for option to disabled v. affordable?

Ron Ruckenstein – Would not be considered affordable housing unit, would be considered common space. Would prefer to rent as they are done being built. Timeline is 6 months from Certificate of Occupancy. We have already started marketing for tenants for these properties. Did not bring out individuals who would benefit from this project tonight because thought meeting may have been cancelled.

Dana Tyndall – Asked if developer understands concerns of the residents of the community and the deed restrictions. Surrounding properties will depreciate if smaller houses are placed in the area.

Delores Spaulding – Affordable houses cannot be discriminate and residents can come from anywhere in the state of New Jersey.

Finance:

Public Works & Engineering:

Legal:

Tax Collection/Tax Assessment:

Construction/Planning/Zoning:

Recreation:

Police:

Buildings and Grounds:

Sewer:

**Economic Development:
Management**

Buy Local Program / Property Tax Card

Carmine Delfalco, CEO of Finn Credit, Inc, administrator of Property Tax Credit Program, presented information and brochures on a Property Tax Card Program which would allow residents or tenants of properties in Middle Township to earn credits on their property taxes but shopping local at business and restaurants that participate in the Property Tax Card Program. Rebate check available for non-residents who work and shop in the town, or tenants who are not responsible for paying taxes. Program issues a swipe card, similar to a credit card, which is swiped through at a machine at a participating retailer or restaurant. Credits issued in June of every year and credits are towards third quarter property taxes. Discussed marketing options, mobile apps, Mayor’s corner on the app. One time set up cost of \$600 for the mobile app through Apple store or Google Play.

Committeemember Donohue – Questioned 25% processing fee, standard credit card machine and population Marlboro, which is a town involved in this program.

Carmine Delfalco – Processing fee is for customer service, accounting, web portal. Township is not responsible for anything. Machine is a separate machine, not same as a credit card machine. Can be processed online for free, or a card swipe machine for a fee. Marlboro population is 40,000 people/15,000 households with 20% or 3,000 families registered for this program.

Committeemember DeLanzo – Asked how the Township is expected to promote the program? Monetary? How much does Marlboro spend? Do merchants have to sign a contract?

Carmine Delfalco – Billboards could be put up by Township employees, ads in the local papers, not necessarily monetary. Social media. Marlboro has a \$20,000 budget for the program, but spends less than \$5,000. There are no contracts, business and/or the Township can cancel at any time. Economic Development Committee would be responsible for signing up businesses for the program, minimal training would be provided by program.

Mayor Lockwood – Is this program approved through the State or DCA?

Carmine Delfalco – DCA has said that they do not oppose the program. Assemblyman Denser has implemented legislation on this program, but are waiting for a Commission to be established. A Resolution is asked by the Township when establishing the program.

Committeemember DeLanzo – Who handles the discrepancies for the program?

Carmine Delfalco – An account is opened when you register the card, if there is a credit missing on the online portal, the consumer can contact customer service department.

Committeemember Donohue – Are larger business/chain stores participating?

Carmine Delfalco – No because they are corporate. We have been talking with them, but they are not yet participating.

Cheryl Spaulding – Based on Marlboro, what is the % of homeowners participating? How often would the Township receive reports? Will consumers receive emails from other businesses/third-parties? Have any negative responses been received?

Carmine Delfalco – 20% of property owners participating in Marlboro. Consumers will only receive emails from participating businesses and program administrators. Township will receive reports every couple of months, but can be produced more frequently if needed. We have not received any negative comments on our program, but read a negative comment in local paper in Middle Township recently.

Committeemember Donohue - How much are the cards if they are not sponsored by a bank?

Carmine Delfalco – Window clings are \$2 each, cards are \$1 each. Most local banks are willing to sponsor the program.

Carol Struett, Economic Development Counsel – Has received positive feedback from residents and local businesses about this program.

Vilma Pombo – Mentioned Middle Township being a “resort town”, how will part-time residents participate?

Carmine Delfalco – Working on adjusting the program to participate with other participating towns so tax credits can still be received if shopping in another participating area. It would be an extension of the program.

Burgess Hamer – Asked if law is going to be approved for the program.

Carmine Delfalco – There is proposed legislation. It is wishful thinking that they would adopt the legislature.

Betty McGurk – Asked if merchants have increased the costs of their products or services to make up for the costs of the program. Mentioned that most small businesses already discount their products or services.

Carmine Delfalco – It is up to the business what percentage they wish to give back to the program. It does not cost to swipe the card. Program is getting a percentage of the rebate.

Betty McGurk – Spoke amount people not being able to spend money because they do not have money to spend.

Mayor Lockwood – If Township decided to move forward with this, they would have the opportunity to ask questions about the program. It is a voluntary program for businesses to participate in.

Boris Wisely – Press Release that Program offers no added costs to the Township. Asked for explanation.

Carmine Delfalco – The money from the program is given directly to the Township and credits that residents property taxes. Township is not reducing the property taxes.

Delores Spaulding – Does not believe that this program is beneficial to the Township if larger businesses are not going to participate.

Mayor Lockwood – This program may encourage people to shop local, rather than going up the road. Example would be buying a baseball glove at Just Sports, rather than driving up to the mall to a store up there.

Tom Thaler – Questioned Township handing back a rebate.

Mayor Lockwood – The Township is not handing back a rebate, tax bills are not being reduced and Township is still receiving the same amount of money. It is like a cash back credit card, but the money goes directly towards paying someone’s property tax bill.

Mike Butterfield – As a merchant, does not see the difference between offering a discount at the time of sale or sending a rebate at a later date.

John Martorana – Questioned public works being responsible for putting up billboards about program. Doesn’t think they will have time to do such task, as they are very busy doing other tasks.

Committeemember Donohue - It was a suggestion.

Topic ended discussion at 4:50pm

Personnel:

Zoning:

Township Clerk:

SPECIAL PRESENTATIONS OR DISCUSSIONS:

PUBLIC COMMENT:

Motion to Adjourn Meeting – 6:10pm

1st Committeemember DeLanzo 2nd Committeemember Donohue

Roll Call Vote: Committeemember DeLanzo, Committeemember Donohue, Mayor Lockwood