

**TOWNSHIP OF MIDDLE  
TOWNSHIP COMMITTEE  
WORKSESSION AGENDA  
March 16, 2009 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. 26-09 entitled "Establishing Work Session Meeting Nights" which was adopted by Township Committee of the Township of Middle on January 5, 2009

Members present are Mayor Doughty, Committeemember DeLanzo & Committeemember Barry.

Business Administrator Mark Mallett, Township Clerk Kimberly Tomkinson, Municipal Solicitor James Pickering, Municipal Engineer Vincent Orlando.

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

## 2009 Capital &amp; Capital Long Range Plan

Mark Mallett: The state aide numbers came in on Friday. What I want to do today is go through the 2009 Capital Projects of how we are foreseeing it as we lay it out into the budget. With the Capital Projects, needs change, priorities change, so this is something that in over time it can change. Capital Planning is a very important aspect of what we do. We are looking for things that have a life of 5 years plus, typically it is buildings, major pieces of equipment, infrastructure, trucks, roads, sewer, water ..all those major expenditures that we see. We are trying to outline where we see the spending going on. The major expenditure is the firehouse that should be done around mid year or so of \$1.2 million. After that we have improvement to public buildings, the roof here at Township Hall is probably 30+ some years old, its been patched and put back together and at this point needs to be replaced, it is really at the end of its useful life. We do have funding from the Department of Transportation to repave Romney Place, however, the Township is responsible for curb and sidewalks which is estimated to be around \$135,000. The police are looking for SUV's for their supervisors. Right now the 2 that they use have 175,000 miles plus and those are at the end of their useful life. Next is police software, modems, radios and some of the electronics and some of the equipment that the police are looking for. When we take a look at the software, there is a scheduling program that I have looked at with Lt. Leusner and some of the other folks in the police department, which is really going to make their lives a lot more efficient and affective in the way we schedule the officers, modems in the police cars for transferring information and also radios and other electronics that there is a need for. Last police in car video system, we have this in the budget where we will have videos in the 23 police cars. They had had those in the past but they are now obsolete. We have some dollars that are set aside in our capital improvement fund. We are looking at doing a bond ordinance for the police capital items. It is really a long range capital plan. The state requires a 6 year forecast. We are just trying to get a sense as to where things could be. Improvements to public buildings, you see that goes up in 2010, we have the fire house and once we come to a determination of what the best use of that will be, we will have to do the renovations and refurbishments. A number of these buildings are getting older and we are just assuming that we are going to have to reinvest in them. We are just trying to lay something out for the future. Same thing with police software like electronics and other items, we are not quite sure how technology is going to change as we go down the road, but we are always looking to upgrade the systems software and hardware of the police department. Road and drainage improvement. ...we evaluate the roads on an annual basis, we are going to be doing that this year, storm water drains and outfalls and putting some sort of grate in the roads. We are going to determine which ones really need to get worked on. Ft Apache is an area we can expand when the Goshen Complex is maxed out. We are just trying to forecast out a little bit as we take a look at the future. When we take a look at the budgeting process and when it is introduced, we are looking to have March 30<sup>th</sup> at 4:00 to do a budget introduction. The regularly scheduled meeting will be on April 6<sup>th</sup>, but we thought it would be important to introduce it prior to that. What we want to do on April 6<sup>th</sup> is to use that time to go line by line in the budget. Copies of the budget will be available on March 30<sup>th</sup>, which is time for people to study and absorb it.

Eileen Fausey: On one of your first ones you showed Capital Plans, and on it was the fire house and also work on Ft Apache. Was any of that put aside....like the firehouse, you signed a contract a couple of years ago, but that money wasn't put aside until this year?

Mark Mallett: We do have money in the Capital Improvement fund that we have been setting aside, I think it is about a million dollars per year, I believe right now we have a little over \$2 million.

Eileen Fausey: Did you say that will go to the fire house or did you say we have to bond it?

Mark Mallett: I think that as we look to the future that it would be best to bond that just as options down the road.

Steve Barry: We probably wouldn't be bonding it this year?

Mark Mallett: No.

Eileen Fausey: The second question is when I was looking at the vendors, I noticed that Albrecht & Heun is doing a lot of work out at Ft. Apache. You had an open invoice for \$329,836.

Tracey Taverner: That money is probably encumbered under a line item, probably like a CO4, which means it is a Capital Expense and not a Capital Account, Capital monies that's not in this year's budget, last year's budget is not the line item that you look at. This is our Capital Fund, it is totally separate fund. The Capital Fund items are usually projects that last more than one year, especially Kathy's projects, the CO8 Sewer Projects, they can last 5 or 6 years...

Eileen Fausey: I understand that, but there has been so much discussion this past year that it was my impression that it was budgeted

Tracey Taverner: It is a totally separate fund, it is not part of the operating expenses.

Eileen Fausey: I understand, I am just trying to make it clear in my head, we haven't paid for that yet and we are going to have to pay for it in the future, right.

Tracey Taverner: The money is already encumbered and set aside.

Eileen Fausey: So technically part of our taxes are coming out .....this year, right?

Tracey Taverner: Only to the extent when permanent financing becomes a part...

Eileen Fausey: In other words, we're financing a lot of projects as opposed to paying them through our collection of taxes? In other words we are spending money we don't have yet.

Tracey Taverner: No

Eileen Fausey: If we have to buy something, that means we are borrowing money, correct?

Steve Barry: Funding is borrowing, yes.

Eileen Fausey: Then we have to pay it back.

Steve Barry: Correct.

Kathy Meers: I don't think people understand, it took me a little while to understand this, when I sign contracts for different things in the sewer department, we encumbered the money, that means the money was set aside, it may not be spent for 2 to 3 years, but you have to show it in the budget. It is a hard thing to understand because we are a credit based society, but what you do is you have contracts for engineers, attorneys, professionals and I set aside like maybe \$25,000, maybe \$50,000 and that will show up every year, but I am not spending it until the actual work is done.

Eileen Fausey: Well my question was we don't have it yet, right?

Tracey Taverner: The Bond Ordinance has been done which means we can spend the money.

Eileen Fausey: OK, and that money is put aside?

Tracey Taverner: Yes. That has actually gone out for Bond Anticipation Notes. We actually have a cash flow within our Capital banking account that I can utilize. I do utilize that and I don't go out and borrow when I have the money sitting there, I am not going to pay interest on something when I do have cash flow in my Capital Fund.

Eileen Fausey: But we still have to pay it back.

Female Voice: She is asking if you got the money though.

Tracey Taverner: Do I have the actual cash for that....I have not gone out and borrowed, I don't need to.

Eileen Fausey: My point is we are in hard times right now and we need to get our priorities together about what we want to spend our money on and the important thing that I have been concerned about is our police department and the fear of the fact of having an exploding population in our Township, I thought that might be a priority, that's all.

Miles Truesdale: How do you plan to treat the pension expenses this year?

Mark Mallett: We are not looking to defer the pensions.

Miles Truesdale: So you pay 100%.

Mark Mallett: It is not fiscally responsible to defer it. We were just getting out from under it when Gov. Whiteman and I think Gov McGreavey ....

Miles Truesdell: I agree with that, but is was concerned whether or not you were going to take some of the things suggested from Trenton to try to alleviate some of the cash demands by not staying 100% of the pension application for this year. On the same question with your budgeting process, are you going to try and maintain the same surplus you had last year or are you going to increase or decrease the surplus.

Mark Mallett: It will probably be somewhat close, possibly a little less.

**Public Works & Engineering:**

Reconstruction of Romney Place – FY2009  
Municipal Aid Program

Vince Orlando: We created the plans and are working on the specifications for the reconstruction. As indicated a portion of the money is coming from the State in the form of a Transportation Aid Grant. We anticipate starting the job probably sometime in May, doing the job over the summertime, which is typically when road jobs are done so we won't have any problems with school buses, things of that nature and we would anticipate completion of the job by August 15<sup>th</sup>, 2009.

Carol Mattessich: Does the municipality typically pay for sidewalk replacement? Just a matter of interest, I always thought it was the individual property owner.

Vince Orlando: Our practice in the past has been that it is part and parcel of a road job, then we would do it as with Capital improvements or grant monies. For example a while back we got grant monies to do curbs and sidewalks out on Route 9 in Whitesboro. The new list of sidewalks along Boyd were part and parcel of that grant and from capital improvements. If you want to replace sidewalks in front of your property, the Township's policy is never to do that, you can do that on your own.

Carol Mattessich: So basically people would do well to wait for the next major project?

Vince Orlando: Yes, and then there are people who decide, the curb and sidewalk is cracked in front of my house, they come in and get a permit and they do the work themselves.

Jim Pickering: I don't want it to sound as though Mr. Orlando is giving legal advise as to whether people should wait for the next project. People should use their own judgment as to whether or not they might have any legal liabilities or not, depending on the condition of their sidewalks.

Request for Street Lights – Raleigh Avenue

**Legal:**

**Construction/Plan/Zoning:**

**Recreation:**

**Police:**

**RESOLUTIONS:**

(Proposed Resolution)

Regulating still photography, videotaping and audio taping of public meeting program

Jim Pickering: Mayor, I had asked that this be on after talking with a number of people about this. It was some concern, there is no doubt, that the Supreme Court has decided that people have a right to photograph and video tape public hearings, public meetings, but also that the entity is allowed to put reasonable restrictions on that so as not to cause a nuisance or problem at the meeting. This is a proposed resolution that would address those issues such as who is allowed to operate the equipment or how many people would, how much noise it would make and notice to the municipality location of the equipment, what would be able to be recorded, that sort of thing. I think all of the restrictions in here are consistent with the Supreme Court's decisions and with what other towns have done and what have been upheld by courts. That being the case, I know we had discussed this for a while as to when to introduce this. I have it here if Township Committee wants to consider it and if you want it placed on the next agenda. I do note from the draft that is in front of you that I would recommend one change, which is pertaining to the noise and the equipment on Appendix A, I was just going to change that to a reasonable amount of noise or a noise that is no more than a nuisance or something like that. Do you want me to have this on for the next agenda or do you want an opportunity to review it further?

Mayor Doughty: I want an opportunity to review it myself.

Susan DeLanzo: I have a question Jim. If someone comes in and tapes a meeting, do we get a copy of that or are they just.....

Jim Pickering: Well that is one of the things that this would require is that if someone makes a video tape is that they provide copies of it to the Municipal Clerk so that there is always something here at the municipality, I think that is provided for in Article 6 of the proposed resolution.

Jim Pickering: Next is a proposed resolution which has been discussed several times reaffirming the Host Community Benefits Agreement and Establishing Accounting & Purchasing Procedures for Public Works. I hope you have all had a change to review this. It is on this agenda, but I believe it is also on the regular session agenda. I asked that it be on here now, and later also, because the quarter is coming up and I thought that it appropriate that we have those procedures in place to assist our staff in knowing what their Township Committee expects of them as the quarterly numbers come due with regard to the Host Community Benefit. If you want me to go through this with you, since we are going to be talking it.

Nate, Sue, Steve: Yes.

Jim Pickering: Essentially what it says is the agreement and all of its terms are in full force affect referencing the agreement executed on March 25, 1991, that they have always been in effect and that they remain in effect; the Host Community Benefit is to be calculated pursuant to that agreement; that it is based upon \$1 per ton of recyclable material that is received at the Future Mining location, which is language taken directly from that 1991 Agreement. Any other terms of the agreement are still in effect and that Township Committee instructs its employees, representatives and agents to implement the agreement. The next paragraph has to do with recyclable materials taken to a recycling facility by the Township, so this is when the Township picks up recyclable materials and needs to dispose of it somewhere. Sometimes it is picked up by our public works department and includes concrete, asphalt, stump and tree parts, leaves and grass clippings and other such items. The Administrator and CFO would be directed to solicit prices as permitted by law from those recycling facilities to dispose of them, that includes the Cape May County MUA, to obtain those prices and to report back and to include into those facts the costs of transportation and labor to dispose of those recyclable materials. The CFO and Administrator to make recommendations to Township Committee as to the appropriate location to take their recyclable materials and it could be possible that there could be different facilities depending on where the truck is located when it is full. Once that recommendation is made, the Township Committee would approve a resolution directing those facilities to be used. There is also recycled products purchased by the Township. These are also items such as recycled concrete, woodchips, sand, topsoil, the same process would be used for those, except that there are state contracts for many of those items supplied by Cape May County suppliers and if there is some product that we use that is not available on State Contract, then the CFO and the Administrator are to locate such suppliers, seek bids for purchase of those recyclable materials and again they are to make recommendations. There are also procedures to accounting practices, the past practice is described and the future practice is such that as of the first of this year the Host Community Benefit owed to the Township shall be paid to the Township in the amount required and when required. Also, as of the first of the year any amount incurred, which the Township would owe to any facility, including the Township facilities, will be paid by the Township and the CFO is directed to implement that process. There is also a note that any amounts that may have previously been owed to or owed from Albrecht & Heun or Future Mining, will be finalized as of 12/31/08 and that this new practice will be in place as of January 1, 2009, so this would lay out clearly to the CFO, the Administrator, the Public Works Director and all the other people that are involved in these purchasing disposal processes throughout the Township, what Township Committee expects of them and it reaffirms the Township's position that March 25, 1991 Agreement has been in affect and remains in affect. That will be on the agenda for this evening.

(Proposed Resolution)

Reaffirming Host Community Benefit Agreement and Establishing Accounting & Purchasing Procedures for Public Works

(Proposed Resolution)

Executing Agreement with Middle Township Baseball Association – Snack Stand

Kim Tomkinson: This resolution is on tonight's regular meeting and outlines a use rate of \$100 per week made payable to the Township by the Middle Township Baseball Association in an agreement and the terms acceptable by the Municipal Solicitor.

Jim Pickering: As I understand it, Mr. Mallett has spoken with the association, they will be operating the facility, this merely authorizes them and the Township to enter into, I don't know if it will be a lease agreement as much as a license agreement, for them to use the facility and pay the Township \$100 a week for that. Somebody has to operate it and we understand that they want to.

Mark Mallett: Correct and the \$100 is really to go into a dedicated trust fund where it is to maintain the facility, repairs and some of the other fees that may be associated with....if anything breaks we will cover it, that's why we are going to put it into a dedicated trust.

**ORDINANCES:**

(Proposed Ordinance)

Amending the code, Chapter 188, Section 188-2, entitled Parks and Recreation

Kim Tomkinson: It just merely deletes a section of the ordinance and reinstates that section A that no person shall have in his or her possession any alcoholic beverage, narcotic drugs or controlled dangerous substance.

Jim Pickering: I had asked that this be placed on the agenda. This is by recommendation of our Joint Insurance Fund. There is currently a lawsuit pending against the municipality as well as probably 560 other municipalities in the state where many, probably most, if not all ordinances prohibit someone from being publicly intoxicated and sometimes intoxicated on public grounds. There is a specific statute in New Jersey that prohibits someone from being arrested or makes it not a crime to be drunk in public. Instead the law requires that the police pick that person up and take them to get treatment essentially, they have to be taken to the nearest facility. Because so many of these ordinances are old, they have not been changed to reflect that State Statute, so someone named Obchinovitz, I think is his name, has filed suit against everyone, or against municipalities and our JIF has recommended that we change this one section of our ordinance. We do not have a public intoxication ordinance in Middle Township, so we don't have to change that. The only place this is located is in our parks and recreation department under Prohibited Acts, which right now it says "bring alcoholic beverages or drink the same anytime, nor shall any person be under the influence of any toxicating beverage." Essentially I redrafted this to remove that section about being under the influence of intoxicating beverage, and again this is being done at the strong suggestion of our Joint Insurance Fund.

(Proposed Ordinance)

Amending Chapter 218, Subdivision / Site Plan, of the code of the Township of Middle

Kim Tomkinson: This is adding a category that would supplement the addition of Tax Map changes and the application fee would be \$100 per lot for subdivisions and easements.

Jim Pickering: I know right now that tax maps change as someone comes in and they get a subdivision approved, then the map needs to be changed. I believe the process has been that the municipality essentially picks up the cost of that tax map change, so this would put a fee in place so that when those things happen, whether it be a subdivision or an easement, whatever it is, that the person realizing the benefit of that actually is paying for it, so that is a \$100 per lot fee for subdivisions so that when you need to make that tax map change you have to pay the \$100 fee up front so the taxpayers won't be incurring that expense any longer. I know most other towns, many other towns require such fees so that the taxpayer is not picking it up.

**SPECIAL PRESENTATIONS OR DISCUSSIONS:**

Charles Lewis, Conifer Realty, LLC. – Affordable Housing Development

Charles Lewis: I am going to talk to you today about who we are and what we do, what we propose to do in Middle Township and some assistance that we need from the Township itself. Conifer is a full service real estate development company, we have a construction arm, a development arm, a management arm, we have been in existence for over 35 years and during that time we have developed over 10,000 units. We are active in New Jersey, New York, Pennsylvania, Maryland and Ohio. Two Thousand of our units are in New Jersey and is 20% of our portfolio. Affordable Housing Finance Magazine, which is the trade journal for the affordable housing finance industry, starting with 2007 started listing its top 50 developers and its top 50 owners for affordable housing and we have been in that top 50 list as both a developer and an owner both years since it has been in existence. What we are proposing is workforce housing. It is rental housing; it is targeted to people below 60% median income and in a couple of minutes I will provide some numbers so you know just what that means. This housing will satisfy the Township's COAH requirement, in fact we are in the Township's adopted COAH plan and it is supportable because of the financing that we use. I wanted to talk a little bit about what it is not, it is not public housing, it is not Section 8 housing, tenants pay rent, although we have a couple of different rent levels so it can accommodate different income levels and people pay a flat rent, it is not a matter of people paying a percentage of their income for their housing as is the case with Section 8 or public housing. Cape May County is a very difficult county in which to develop, there are a lot of environmental considerations, first and foremost you have a lot of wetlands. We looked at a site on Route 9 and had actually entered into an Agreement of Sale, then we found out that there were so many wetlands that we couldn't develop there. You are also in the CAFRA zone, which means that you have to be located in the center or else there are a lot of limitations on your ability to develop, you also look for water and sewer because that also puts a lot of limitations as well, so that is why we chose the site on Railroad Avenue because it has all of these things. I've used the word affordable housing and I have used the word workforce housing. I hate to label things because when you label things people get fixed ideas and let's fact it, you say affordable housing, this is what you are thinking about. This is a public housing project in Camden known as Westfield Acres and at the time was state of the art and it reflected the thinking at the time and the thinking was that government should be heavily involved in the housing, either as an owner or actively involved in the management, but it has to be cheap housing, you want to get the most bang for your buck so you don't have any amenities. You want it to house as many people as possible so you make it as tall as you can, as big as you can and you do it without any regards to the community in which it is built. Obviously that is a failure. Starting actually in the Reagan Administration, a different mind set developed and it was first, maybe you should get government

out of the housing, because government has its limitations and managing real estate is not something that it does well.

While there is a need to maintain public housing and to provide housing for the very lowest income, there is also a tremendous need for people who are actually working and making an income, particularly in the northeast, increasingly limited in their housing options, and the idea was also that the development should be an asset to the community and should fit in and there should really be an opportunity for the people within the community, people maybe just starting out in jobs, to have entry level housing, and to basically provide housing for people who are working. When you think of it we have lost most of our industrial and commercial jobs, which were union and had very high wages, and more and more we are in the service industry with lower and lower wages, those folks who are working need someplace to live. I just want to give you an idea of what affordable housing looks like. (Has pictures) Mills Stream apartments in Turnersville, notice the porches or patios on each unit and we feel very strongly that people should have some outside space. It also provides a set of eyes on the common areas, people in the parking lot can be seen by the people on the deck or the patio in terms of socialization. You can see that everyone has a private entrance; one of the problems with the early concept in housing was that you have these high rises, you have elevators, stairwells, and hallways which are kind of no man's land. You find that people with individual entrances have a sense of place and a sense of ownership in their unit and the area outside of their unit. We made a commitment about 2 years ago to go green, at least as green as we can. The idea is you do your development and have mechanical systems and construction techniques and materials that minimize the negative impact on the environment in terms of energy usage, recycling, using toxic substances. You will notice solar panels on the roof of this building. We actually have 2 separate systems, one is a solar system which provides electricity which powers all of our common areas, also powers the parking lot and the second system is a hot water system. The solar power heats all of the hot water in the units. In all of our developments we have a community building or a clubhouse. This is basically where we have our management offices, where we have our Laundromat. We also have an area that residents can use for parties, showers, things like that. It is sort of a gathering space. We have a computer room in every development. This is something that we are really rethinking. We find that they are heavily use in our Senior Developments because a lot of seniors don't have computers. We have found more and more in our family developments, that almost everyone has a computer now. Another amenity is an exercise room, that is very popular. We as the owners purchase the equipment and the residents use it whenever they want. We also try to have recreational equipment for the children. I guess the questions are who will live here and these are the income limits for families up to 4 people, some could be making as much as \$40,000 per year. I know there is a lot of concern about where the people in these apartments come from. A lot of them come from your own houses, it is an opportunity for children to live in the communities in which they grew up. With a development you have a lot of lenders and investors and you have a lot of people looking over your shoulders and unless you are totally incompetent and it is generally not too difficult to get something built. The real key is keeping it up and running and looking good. The first component is tenant screening. We do a criminal background check on all of our prospective tenants, we do a credit check, we ask for references and we follow up on those references, we do prior landlord checks, we don't do current landlord checks because we found that if someone has a really bad tenant, they won't tell you, so we check with prior landlords because they are usually a little more honest. We have our own management company; we have been managing almost as long as we have been developing. Because we have financing from the state, the state actually monitors our developments, they look at who we let in, income information, things like that, but they also go out physically and inspect the units and give us a write up as to whether or not the units are acceptable. We have received top management rating from the state on every development since we have been in New Jersey. In fact, we are so respected by the State that they have taken us in on a number of trouble projects to actually take over the management and clean them up. We received last year the New Jersey Apartments Association Garden State Award for Affordable Housing Management and we have received multiple awards from the Apartment Association of Greater Philadelphia for maintenance and curb appeal. We are particularly pleased with those rewards because that is an industry right award and we competed with market rate developments, developments charging \$2,000 per month and actually came out on top in that category. I want to talk a little bit about our proposed development sites, 8 Railroad Avenue, it is an 8.8 acre site; we are proposing 9 residential buildings and a community building. It is broken down into 18 one bedroom units, 40 two bedroom units and 32 three bedroom units. We tried to avoid the straight ahead, like you are driving into a gigantic parking lot; we also left about 15 % of the site, which is in the rear, trying to maintain that wooded feel; we are surrounded on 2 sides by a Federal Preserve, which is basically wide open woods, so I think that kind of carries that feel over into the proposed development. WE haven't received our site plan approval so that site plan is subject to change. They are 3 story units; the State decided 3 years ago that all first floor units have to be fully handicapped accessible, which means you have to have all of your bedrooms on the first floor and there are 2 ways of doing that, you build what is basically a one floor unit and you either stack other flats on top of that, but what we found is more popular is you put 2 townhouses on top of that flat, so the first floor will be one unit with everything on one floor and you have a flight of steps to the second floor which is the living room, kitchen and dining room and then the 3<sup>rd</sup> floor is the bedrooms. This is also subject to change. All the 3 bedroom units have a full bath and a powder room and the 1 and 2 bedrooms just have a full bath. I mentioned that we are going for funding from the State. I know that another developer has recently talked to you about financing affordable housing so I will just go into it briefly. The primary source of funding is known as a low income housing tax credit and it is a Federal Tax Credit and even though it is a Federal Tax Credit, it is given to the states to give out and basically is based on population, so each state gets a fixed amount. What we do with that tax credit when we get it is we sell it to investors and the money that we get from investors we turn around and use to fund the development. The tax credit probably funds 60 to 70% of the development costs and the beauty of that is that if I have that tax credit paying for 60 to 70% of the cost, my rents only have to cover 30% of the cost so I can keep my rents lower. The tax credit program is very competitive, last year there were 40 applications and only 14 got funded. The State sets the criteria for awarding the credits and some of those things are to come to the town and ask for things so I am going to go through some of those things with you. One is fairly easy, it is called a Resolution of Need... basically you say that there is a need for Affordable Housing in the town and Township Committee passes that. You

also need a letter of support from the Mayor. There is a technical thing called a density bonus, which really applies when you have a market rate development and some towns will say, look if you are zoned for 4 units to an acre, we will allow you to do a 5<sup>th</sup> one if you agree that that 5<sup>th</sup> one will be affordable. We want a letter from someone from the Township saying that is not the case here. WE need a Payment in Lieu of Taxes Agreement. The State gives a significant number of points for a Payment in Lieu of Taxes Agreement and I can't think of a project that was ever awarded credits without getting the Payment in Lieu of Taxes Agreement. Also known as a Pilot Program, instead of paying a tax based on the value of the real estate, you pay a payment based on a percentage of your income. The Housing Finance Agency looks for that percentage to be 6.28%, so instead of paying taxes on the value of the land, you are paying a percentage of the income. I have also requested funding from your Affordable Housing Trust Fund, I am asking for \$300,000. I guess on the good side the Affordable Housing Trust Fund is set aside specifically for affordable housing, so you can't use it for general operating expenses. The reason I am asking for it is I think it will factor into whether or not this development received tax credits. As I mentioned earlier the State has a scoring system and if projects are tied, the State looks at how much money you are asking for from the State and the one with the least request from the State is the one which gets funded. Last year there were 6 projects tied for the last 2 spaces and only 2 were funded and 4 were denied, it came down to a tie breaker. Whatever money, whether it is \$300,000 or less, will bring that tie breaker number down. We have situations where towns will put money and situations where towns will actually buy land and contribute it to the development and some will actually do both.

Jim Pickering: I don't think we are going to discuss it at this meeting, you are still in front of the zoning board at this point, right?

Charles Lewis: That is correct. We do not at this point have site plan approval.

Jim Pickering: Ok, I made it a pretty strict policy here that the Township Committee is not really going to have a discussion or comment on these applications while they are pending. I don't want it to be said that anything that was done or said here influenced the zoning board's decision, it's an independent body that has to consider things on their own, so I think that it is probably more appropriate is that if you get the approvals there, we will have you back and the items that you listed here can be considered by Township Committee and determined whether to be approved at that point. I note that there is a meeting scheduled for April 6, which is before your deadline. IF you get your approvals by then, we will probably invite you back or you can ask to come back to make your pitch on those items.

Charles Lewis: I appreciate the opportunity to come and talk about the development.

Susan DeLanzo: I have a question, I don't think it will violate your advice Jim. You've showed us a couple of projects that you have done, could you show us the latest one that you did and what year that was?

Charles Lewis: We are trying to get developments which focus on family developments in non urban areas. The latest development that we did is Linden Lake that was opened last summer.

Susan DeLanzo: And prior to that the one in Jackson?

Charles Lewis: That opened 7 or 8 years ago.

Susan DeLanzo: How much land was there?

Charles Lewis: That was roughly 5 acres.

Susan DeLanzo: And how many units?

Charles Lewis: It was 84. That is senior, that is not a townhouse development, that would have a center loaded corridor, it would have hallways and elevators.

Susan DeLanzo: So, going back to your townhouse style, is this like a quad building?

Charles Lewis: Yes, it is actually what we call an 8 plex building, it is 4 flats on the bottom and its 4 flats on top.

Susan DeLanzo: About how much property do you need to do those?

Charles Lewis: It depends. That site has 96 units on 14 acres, but that was one where the Township wanted a certain number of units and we had a site. We have a development under way in Deptford, although the site is 14 acres, 8 of it is wet and we are doing 90 units on 6 acres.

Susan DeLanzo: So, the acreage that you are looking at is how big?

Charles Lewis: It is roughly 9 acres, we are doing 90 units which is roughly 10 to an acre.

Susan DeLanzo: And projects like this you said were how many acres?

Charles Lewis: That is 96 units on approximately 14 acres...the one in Millstream is 96 units on 14 acres, this one is actually 100 units on 40 acres, but about 30 of the acres are wet, in fact there is a lake in the back that you cannot see, so the density there is probably 9 or 10 to an acre.

Susan DeLanzo: 9 or 10, and the density you are proposing for here?

Charles Lewis: 10 to an acre.

Susan DeLanzo: The project you showed us for here, was that separate, like you proposed, you like to do all of these.....it just looks drastically different.

Charles Lewis: I have that unit under construction right now, but I don't have any completed.

Jim Pickering: Can you go back to the site plan Charlie, that is showing how many buildings?

Charles Lewis: It is a total of 10 buildings.

Jim Pickering: And approximately 9 units in each building, 8 units in each building.

Charles Lewis: 9 units in each building approximately. The 10<sup>th</sup> building is a community building.

Vince Orlando: Mr. Lewis maybe you could explain that the first floor is the handicapped and the second and third floors are actually.....

Charles Lewis: Yes, the second and third floors are actually townhouses so that you have basically one unit with everything on the first floor and on top of that you have a traditional townhouse, so you have the second floor you walk in and the third floor is the bedrooms.

Vince Orlando: Do they elevators in them?

Charles Lewis: NO.

Vince Orlando: That was a concern of the zoning board.

Charles Lewis: Yes, I think to be cost efficient with elevators you have to go to the larger buildings and have hallways and we find with family developments that you have these hallways, these lobbies and stairwells, which really no one polices and are kind of a no mans land so we opt for more single family type deal where everyone has individual entrances and one disadvantage is you can't get handicapped accessibility on the second and third floors, but roughly 30% of our units will be the first floor handicapped accessible so I think that is a larger number than the typical apartment complex and probably much, much higher than your typical single family residential development.

Susan DeLanzo: But the density seems to be the same as your other projects completed but yet they look totally different?

Charles Lewis: Yes, we tried those units that we had in Millstream, which were those 4 plexes that you mentioned, and we just couldn't fit them because they basically lined up on one side, you had the units on one side and the road on another, plus they have a bigger footprint than these buildings. The one advantage of having a flat and a townhouse is that in a very small footprint you get 3 units as opposed to the 8 units which is a larger footprint. My concern too is that we have to go back into the wooded area; we are concerned that CAFRA will want to maintain some or all of that wooded area, so we would have to basically wipe that out, so it is a more compact housing style that would allow us to get more units on a smaller footprint. The advantage of that too is it does leave a lot more open space because instead of a large footprint eating up a large portion of the site, you have a smaller footprint so there is more open space.

Susan DeLanzo: Not actually usable space though, it would be woods or.....

Charles Lewis: Yes, that is correct, but also from an engineering point, I am really out of my element here, it is more a pervious surface, more area where the rain water can run off instead of going into the sewer system.

Mayor Doughty: You say you are going to maintain these and manage them, do you have a manager on site 24 hours a day, 7 days a week.

Charles Lewis: Yes, we will have an onsite management person. Typically we have a superintendent who lives on site and the manager doesn't necessarily live on site, sometimes the manager will, but it is always the superintendent.

Steve Barry: I have just one quick question and it was about your slide with the income parameters....there is one figure for each unit size....is that the lower, the higher or the medium ....

Charles Lewis: This is the highest income that a single person could have...

Steve Barry: For lower or moderate or both:

Charles Lewis: I mentioned earlier that we do have 3 different rent levels, this is for the 60% which is the highest.

Steve Barry: Is there a lowest figure?

Charles Lewis: 50% units for a family of one would be \$22,950; for a 2 person family it would be \$26,200; for a 3 person family it would be \$29,500; and for a 4 person family it would be \$32,750.

Steve Barry: That's a very tight range.

Jim Pickering: Is 50% considered low?

Charles Lewis: It depends on the program, typically it is. I think COAH considers it low and 60% is mod.

Fred Schmidt: (Conifer's Attorney) The Middle Township Ordinance has as a conditional use under Ordinance 250-45, Affordable Housing Single Family Attached and Multi Family Dwellings, there is only one zone where that is permitted as a conditional use. The reason I mention that is that they permit 10 units per acre. Now, they do that if you provide at least 30% of your units as low and moderate income. So here you are providing even more than the 10% and his calculation of the acreage actually is a little under what site has, it has slightly over 9 acres. There is one other zone, it is called a PD Zone. Most of that land is....first of all the other zone that I referred to is town residential....that is basically in the downtown area... the other place where you are actually required to provide some affordable housing is the PD Zone of Rio Grande and that also parallels Route 9, between Route 9 and the Parkway so we actually have some zoning and both of those zones were it is either permitted as a use itself or conditional use. They permit up to 10 units per acre so it is not an unusual thing that is being permitted for this site.

Susan DeLanzo: I realize that Fred, but the perception of what I was seeing was more open and spacious than the proposed project.

#### PUBLIC COMMENT:

Monty Tibbetts: Susan, when you mentioned about the housing units, I have seen those, I had the privilege and opportunity of meeting this young man about a year and a half ago and I too was going to many meetings, seeing everyone talking about Affordable Housing, and walking out and no one had any solutions. I came to a couple of the city father's here in this area and asked them who I could partner up with. Conifer was mentioned as being a class act. We set up a meeting, sat down with him, chatted with him a little bit, entered into an Agreement of Sale with him on RT 9, of which we had some difficulties and now they are off on doing this and I am here to support them anyway I can. However, before we got to our joint venture with Conifer, we had gone to a number of other units. They took us to new ones, also ones that were 8 or 9 or 10 years old and I would be proud to live there.

Betty McGurk: Do you have estimation of what the average rent would be for like the one unit, the single unit?

Charles Lewis: The one bedroom goes for as low as \$332 per month, but there are very few of them to \$608. The two bedrooms range from \$392 to \$724; and the three bedrooms from \$444 to \$824.

Betty McGurk: I was just wondering because in our newspaper recently there are numerous single unit dwellings in the Herald and stuff in the \$600 range right now. So as far as a need and a necessity, I would have a question on that a little bit. Also, in lieu of taxes, I went down to David and I asked them an average of 25 to 30 houses would go on that same acreage of conventional housing, so in turn, the township if we have that as a conventional development, we would probably be losing a great deal of tax money a year, probably more than likely about \$130,000 a year and then in turn the new tax burden that would come in that we wouldn't be receiving revenue from on these particular cases. I have spoken with COAH and our number is not etched in stone as to what COAH housing we need, in fact our number today, I just spoke with someone from COAH and the estimate of 937 units, she said must have the Township putting in some extra because that is not the number she has. So there are a lot of things going on with the density for these types of units. Nine acres with 90 people on it all funneling out through that one little street, what do you have, there is only one entrance that you are proposing to funnel possibly 250 cars in and out all day long just at that one entrance on that small street, that is the proposal, just one street.

Charles Lewis: Yes.

Betty McGurk: So, that is like I said, in that aspect it seems extremely dense and probably not the proper location for something of that nature. Thank you.

Madelyn Filipski: I am looking for clarification here that this project had to be developed, it just didn't show up 3 weeks ago and that people were aware of it except for the people that it is going to be a tax burden on, which is us. This is basically just knowledge that we found. Not only is it going to be a tax burden on us, our zoning board, which I thought served us, has changed a meeting, they had added another meeting to comply with the developers. Meanwhile, the people that are going to incur this cost, pay for them to be so nice to develop this for us, have to rearrange our schedules to attend these meetings to speak our piece, and it is not fair. Why is it that we are up against the gun, you have to make this decision within a month and we are going to rearrange the zoning board, OUR zoning board, to do that and are we going to be paying Victoria more money to rearrange those meetings to comply with this. It is really egregious

Eileen Fausey: I don't know if you can tell me this, it is just out of curiosity, I am wondering who gets to rent the apartments, is it first come, first serve, is there a process thrown out there

Charles Lewis: It is basically first come, first serve. What we do is when we get an application we give it a number and that is your number in line, then they have to qualify; we have to find out number one what their qualifications are and two do they pass the criminal background check.

Eileen Fausey: I know that you are not a priority if you live in Middle already, correct?

Charles Lewis: My understanding is that we cannot legally give priority....

Eileen Fausey: How is it advertised?

Charles Lewis: We use local papers, we reach out to community groups, churches; as far as the local people, the 2 communities spoken about earlier averaged 77% people from the community in those locations.

Eileen Fausey: I don't know, it just depends on where you live. I just wondered if you had a certain area you advertised in or if it was just Cape May County newspapers or what.

Charles Lewis: We tend to keep it within the county.

Carol Mattessich: Mr. Tibbetts said he had come to the community and been referred to this developer and I will just ask the Committee, is there someone who referred Mr. Tibbetts....

Jim Pickering: No, that is not what Mr. Tibbetts said,...

Carol Mattessich: OK, I might have misunderstood.

Jim Pickering: I think you did. He said he spoke to town fathers, I forget his exact language. I know that I met with Mr. Tibbetts at one point, I think you probably did Vince, and was asked if there were companies and I probably did not specifically mention Conifer as the only one, but I am sure I make it a practice to give any number of names in that situation. But I certainly told him to go find his own.

Carol Mattessich: Ok, appreciate it. One of the communications that I received recently as a resident of Court House is notification for Land Use Purposes we are going to be considered for transformation into an historic district. Specifically I received correspondence from Mr. Barry. I personally oppose that proposal, but I understand that we have been taking steps toward it, so I wonder if this project has made any, since it will be in Court House, is there something that this project is proposing to do to fit into that stated Land Useful of the Committee. I am asking here because it was the Committee that had sent out the communications about that Land Use element.

Steve Barry: The only thing that has happened with regard to the historic district, and the ONLY thing that has happened, is that letter. Nothing else has happened, because I wanted particularly in connection with the Plan Endorsement process just to get people's input. But this issue of an historic district in Court House has come up periodically over the years and did not make any comment of any kind about this particular project. I don't think that any suggestions about what the historic district would comprise was large enough that it would include this area, but of course that isn't up to me, it is just a question of what do people think, what do people want and we are far from getting there.

Carol Mattessich: Ok, are there any principals of the corporation, meaning owners or president or officers who are local residents?

Charles Lewis: No.

Carol Mattessich: So everybody is from way outside the area?

Charles Lewis: Yes, they are not Cape May County folks.

Carol Mattessich: You don't have any local investors.

Charles Lewis: No.

Carol Mattessich: Ok. This is kind of for the Committee and it is not necessarily a question that people can answer, but it is something that would concern me. We have a gubernatorial election coming up just 5 or 6 months down the line, and the Republican candidate for the Governorship, just I think one or two days ago during an interview, stated that he may well abolish COAH requirements or take steps to try to abolish them, so I was kind of wondering, as a matter of policy, how do you factor that into your decision as you are viewing requests where part of the rationale is "hey this will help you meet your COAH requirements"; that may go up in smoke in 4 or 5 months, so this project wouldn't even be off the ground yet. I am wondering how you factor that into your decision making process. Wouldn't it be wise, on some of these projects, to take a breath; I know a concern a lot of the other residents have voiced about hearing that a project has been kind of in the planning stages for a year or 2 years comes before the Committee and the residents and we are asked to do, you know, kind of think about it and give comments within a 2 or 3 week period, where it has been out there for so long. I am asking whether, in light of the fact that a community is about all of us that live here, whether we also should be looking at the time we need on the back end to consider projects in a wise way and especially in light of the fact that COAH requirements MAY be lessened or maybe not even exist in a short amount of time and whether this is something as a community that we want to rush into.

Jim Pickering: If I can, there really is nothing pending before the Township Committee at this point so I am going to instruct you not to respond as to what factors you would consider if something is someday in front of you to consider. I think your point is made.

Carol Mattessich: Ok, then my second to last question is this, because again Mr. Pickering, your comments I not only appreciate and if I were in your shoes I might even agree with them. On the Pilot Request, I don't know how you can not consider this request at this time. I guess it would be a question for the applicant, if you didn't get the committee to agree to payment in lieu of taxes, would you go forward with this project?

Charles Lewis: No. Unless some new housing program came by that had a Pilot Agreement (4:38:24) there is no sense submitting an application.

Carol Mattessich: I appreciate your candor. That really is a stunning reality.

Jim Pickering: Just to be clear about that, what you are saying Charlie is you won't get enough points to qualify for the grants that will fund the project.

Charles Lewis: That is correct.

Jim Pickering: It has nothing to do with your desire to do the project, it just has to do with you don't get the funding.

Charles Lewis: Exactly.

Carol Mattessich: Absolutely, I wasn't saying anything to reflect poorly on the applicant at all, I was just saying it was kind of a logical problem here where you say we are not going to consider this as a community right now; the truth of the matter is it is very much in your hands. If you wait until after the zoning board makes its decision and the applicant comes back and one of its arguments is well the zoning board gave us approval, the fact of the matter is that if you don't approve the Pilot request, it is not the planning board or zoning board that does that, it is the Committee. The fact of the matter is that is completely in your hands now as much as it will be in 3 months after the zoning and planning process is gone through. I understand it is a matter of personal preference, you kind of do it the way that you decide.

Jim Pickering: It is going to the zoning board, they are the proper entity to make a decision and this committee is not going to make a determination on other matters until it is through there.

Steve Barry: Even any comment on them could be read as trying to influence an independent party and that would be wrong.

Carol Mattessich: Understood.

Betty McGurk: To the gentleman from Conifer, you had stated that a lot of the people tht use the facilities are kids going out of their parents houses, could you tell me how you do that extensive background check if they have never had any rental experience?

Charles Lewis: Again, that is something that you can't check, if they are first time renters. You can do the criminal background, you can do the credit check, ask for references, so in that case there is no prior landlord experience.

Betty McGurk: Well, there could be a percentage of people that really don't have any rental experience.

Charles Lewis: That is correct.

Betty McGurk: To the Committee, there are a lot of people in the area that are renting right now, that have units that they rent, myself actually I have a couple, but I pay taxes on those and these types of projects will really hurt those of us who are keeping rents at a reasonable rate, but having to pay taxes and putting taxes into our Township, I pay and including all of the rents that I get, I pay Middle Township 30% of my income in taxes. So now you are adding an extra burden, so literally you will be making, these types of projects could purposely almost bring down, there is a lot of rentals back off of Goshen Rd. and none of these are high rents, most of them are within the rents, that's why I was curious to how they are. But we are all paying taxes in and we are contributing and this is an impact that really has to be looked at and like you said in the State's standards we don't know exactly what we have to have, and this is something that could be devastating to myself and a lot of other people around who are not really charging really high rents, but who are paying our tax burden.

Meeting Adjourned.

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Kimberly Tomkinson, Twp. Clerk

Prepared by: Dawn Stimmel, Deputy Clerk