

The following are notes, not official minutes. For an official transcript, go to the Delanco Municipal Building at 770 Coopertown Rd.

Township Committee Meeting – March 19, 2007

Devinney\_\_\_Fitzpatrick\_\_\_Hinkle\_\_\_Templeton\_\_\_Ouellette\_\_\_\_\_

**Also Present:** Steven Corcoran, Twp. Administrator; Douglas Heinold, Twp. Solicitor; Janice Lohr, Municipal Clerk; Karen Zimmermann, Deputy Municipal Clerk; John Fenimore, Supt. of Public Works; Scott Taylor, Planner

**MOMENT OF SILENCE for Bob Bellan**

**ORDINANCE 2007-5 Calendar Year 2007 MODEL ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK (N.J.S.A. 40A: 4-45.14)**

**\*2ND READING BY TITLE ONLY AND PUBLIC HEARING HEARING OPEN TO THE PUBLIC**

Resident of Pennington Ct: Asked solicitor to explain.

Heinold: Statue has a cap. Every municipality passes this ordinance to carry the cap forward even when they don't anticipate a tax increase. 2.5% - 3.5% allows flexibility for municipality

Resident of (missed this): Slight increase in state money? What's left of the 1.5 million dollar surplus?

Corcoran: Not ready to discuss the budget now.

Resident: Asking for way too much money just to be safe. Need to find a way to stretch a dollar.

Resident of Wolverton Place: Reluctance of administrator to disclose things the public should know – pushed off to the next meeting. More residents and businesses – no control over expenses. Tired of being used to fulfill stupid things that the town doesn't need – example, school budget – classrooms aren't being used. School superintendent paid more on ratio than Washington Township which has three times as many students. Taxes are much higher than other municipalities. Cherry Hill is an example – much larger, but comparable taxes.

Ordinance Passed unanimously

**HEARING CLOSED TO THE PUBLIC**

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**CONSENT AGENDA ITEMS:**

**ORDINANCE 2007-6 AMENDING CHAPTER 50 OF THE CODE OF DELANCO ENTITLED "LAND USE PROCEDURES" \*1ST READING BY TITLE ONLY AND SET PUBLIC HEARING DATE FOR APRIL 2,2007**

**RESOLUTION 2007-61 RESOLUTION AUTHORIZING INCREASE IN THE AMOUNT OF THE MUNICIPAL CLERK'S PETTY CASH FUND**

**RESOLUTION 2007-62 REFUND OF 2007 TAX OVERPAYMENT**

**RESOLUTION 2007-63 CANCEL MAY 1, 2006 THROUGH DECEMBER 31, 2006 TAXES FOR VETERAN TOTAL TAX EXEMPTION**

**PAYMENT OF BILLS**

ACCOUNT AMOUNT  
GENERAL \$237,701.34  
PAYROLL 55,218.63  
CAPITAL 34,000.00  
TRUST \$18,421.81

**APPROVAL OF BUSINESS LICENSES – 2007-1 THROUGH 2007-20**

**APPROVAL OF DEPARTMENT REPORTS**

**Consent agenda Passed unanimously**

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Correspondence - Lohr

1. DEP letter – Dept of Transportation Clean Community Award of \$4000
2. Letter from Brocco (spelling) and Willets (spelling) regarding concerns for the mansion

**MEETING OPEN TO THE PUBLIC (other than mansion):**

Resident: *Beverly Bee* is read by everyone in town. We get three pages and they don't get enough to fill it. We need more content-oriented articles. Is someone assigned from the staff for that?

Hinkle: Would be nice; mayor used to write a piece every month.

Fitzpatrick: We don't have anyone appointed this year.

Resident of Kansas Ave: Re: consent agenda – did you eliminate veteran's exemption?

Fitzpatrick: That was one person's tax refund.

Resident: When I went to pay my taxes, it was removed from my tax bill. If I'm over \$40,000, I don't get it.

Fitzpatrick: We need to look into that.

Resident: Shouldn't be there until August. Something isn't right here.

Resident of West Ave: Concern about train tracks. Conrail train sits directly behind my house three nights a week – delivery to Edgewater. Delivering three hours at 1:00 in the morning- opening and shutting doors. How can we fix this? Something needs to be done. I pay \$10,000 in property taxes. I can't sleep and my neighbors are having a problem with it.

Corcoran: Exact address? What time?

Resident: I thought someone was snoozing back there. Shuts down and starts up. Different times. Can be on idle for a half hour.  
Fenimore: I've been living across the street for 20 years. When you get the number, let me know. Lots of deliveries there to NVR etc.  
Resident: Never disclosed to us that a freight train ran on the track.  
Fenimore: Call the police  
Resident: I did and they said to come to this meeting  
Templeton: Call and get it on the blotter

Resident from Edgewater Park: Came for proposal for Dietz and Watson. Eleven HIV lights are shining in my backyard. If I can't stop this, have them install shielding. I can walk through my house at 5 AM without turning on the light. Please talk to these people and have them shield the fixtures. They also need to clean up their trash. Fence is a foot off the ground so all the trash blows into my yard. On the side of the building facing my house, there are 11 lights. On the end of the building by retention pond, 4 lighting fixtures. It doesn't make sense. Let me know what I can do.  
Fitzpatrick to Taylor: Didn't JLUB require some shielding? We can check to see what was required before approval. Can reach out to Dietz and Watson.  
Taylor: Can look at what was required.  
Corcoran: I'll take care of that. Leave me your name, address, and number

#### **DISCUSSION ITEMS:**

##### **1. PROPOSED RESOLUTION "AUTHORIZING EXECUTION OF DEVELOPER'S AGREEMENT WITH J2 ASSOCIATES, LLC"**

Henry Kent Smith, Attorney: J2 is requesting a resolution tonight authorizing redevelopment agreement. Was assisted living – vacancy – proposal that was unacceptable so township acquired the property. J2 proposing to redevelop according to standards that would be in redevelopment plan. Agreement is an agreement to get that process started. Agreement will have standards regarding how the business will operate and how the property will look. Proposal to redevelop the mansion as B&B and construction of townhouse units on the property – preserve existing trees and ambiance of the property. Townhouses will complement the mansion to be begun by the end of the year. Mansion will require \$800,000 to restore. Townhomes allow us to finance the B&B without a heavy burden of debt.

Perry (architect): Sizes and locations have changed several times to fit everything into the existing landscaping. \$800,000 doesn't change the mansion's façade other than to add an exterior staircase as required. Frank Furness building – meeting with architect who is an expert in Furness at request of Township Committee. Access from the rear. Every one of these units is a little different.

Smith: We've been working on the contract – very involved agreements – lots of covenants and restrictions. Property will be maintained in a first class manner. What we say we are going to deliver, we will deliver as per Homeowners Association for townhouses. Bed and Breakfast will be modeled on support for surrounding catering communities. Part of wedding package for catering businesses – Merion Caterers,

Riverton County Club, place across the river. Proposal subject to approval of redevelopment agreement, proceed to Joint Land Use Board in great detail. All issues will be thoroughly approved.

### **MEETING OPEN TO THE PUBLIC**

Resident of Russ Farm Way: Great presentation – concept is wonderful

How much was the building?

Hinkle: \$1 million

Fitzpatrick: Adjacent lot for \$700,000

Templeton: And the carriage house for \$300,000

Resident: How many rooms would be in B&B?

Smith: 24

Resident: Would fit nicely into residential area

Resident of Pennington: Real estate background... should be serious discussion – bids were sparse. Maintaining this building would be difficult. Stokes estate was similar – costs were exorbitant. Project will add valuable ratables and constitutes highest and best use.

Templeton: Would you feel that business should pay full tax share?

Resident: Towns may give a portion.

Templeton: Does that benefit the community in the long run?

Resident: Tax on townhouses can offset.

Resident of Pennington: Donated money and involved with eliminating the previous use. The town did the right thing by buying it. Now we have a white elephant that these guys want to turn into a beautiful princess. Right now we have a negative cash flow. Buildings that aren't used deteriorate. Not clear why we aren't going ahead. One hears all sorts of stories. I've understood that the people on the council that live in that neighborhood; it's not a legitimate way to feel and those people should recuse themselves.

Ouelette: We are all of the understanding that we can't afford it. Things that happen in our executive session members are able to debate and discuss. That's a healthy thing. That's how we end up with a better plan. We're not all here just to agree with each other. They are doing their job when they debate. It's my opinion that that's all part of the process of government.

Heinold: People have asked questions about price. Once action is taken, it becomes public record. I would recommend at this point, we can be open about the issues that we haven't been able to share.

-Mr. Devinney lives within the 200 foot overlay. It is my recommendation that he recuse himself due to that.

-Price \$1.85 million

-Units from reduced from 9 to 8

-PILOT– none for townhomes – PILOT for B&B – takes five years to start making money. J2 requested 5 years. In no year will there be a zero payment. Starts at 22%, 40, 20, 80, 100

Corcoran: Spent many hours doing cost analysis of costs of renovation. Operating costs utilities \$65,000 to 55 keep from freezing and air condition to 88 to keep dry. \$21,000 maintenance a year. Total costs \$86,100. Borrowed \$2 million from cash flow. Finance annual interest \$85,000 – bonds would be reflected in 2008. If we keep it, right now we'd need to fix leaky roof, fix ceilings that are coming down, remove fire escape, replace fire escape. Running it under health care facility since that doesn't require us to meet any new standards. Exterior needs work – one or two of columns is moving. Roof is real tile – repair or replace @ \$150,000 - \$500,000. Mold and mildew. Emergency repairs \$356,000-\$800,000. We have to pay prevailing bids, develop bid specs which takes the total cost to \$1.5 million.

Resident of Wolverton: numbers are staggering. Not a big proponent of abatements, but highly recommend a real abatement, but I hope you do a big one. It would be cheaper for taxpayers. Let him get a business running there.

Corcoran: Repairs to emergency repairs would commence at the cost and risk of J2.

Templeton: I thought that was what the rush to get the agreement in December was for.

Heinold: Agreement in January to allow access

Templeton: So nothing has been spent? No work has been done since January?

Smith: No

Resident of Delaware Ave: PILOT's create unfair advantage. At the end of five years, they pay what we are paying now. They only pay the municipal portion – no money to school.

Resident of Walnut: What happens if it doesn't work?

Attorney: Revert back to what is permitted in that zone.

Heinold: Redevelopment zone – residential – this would supersede it. Anything else would require coming back to the plan again.

Taylor: If this use would ever cease – assisted living couldn't come back. Could be sold as B&B again. Often when a business isn't successful in a location, the second business is. When they sell the building, the second person is able to build the business.

Resident of Pennington Ct: Most of the people have been from Newton's Landing, Mr. Rahenkamp's grandchild. It's good that this town has one of their own to come forward to deal with the albatross. The giveaway is the way to get out from this problem. In business school, I learned to maximize the gain and minimize the loss.

Resident of Willow and Second: They didn't prove they can make it succeed. They are only guaranteeing me a brick wall. I like to see the river. I don't like that on that picture I have nothing but buildings in my face. I think everyone on Second Street would agree. Make the B&B succeed and then give them the option of the townhouses. What they should do is leave it the way it is. It didn't seem like you were trying to scare J2 with the prices, you were trying to scare them (pointing to audience). I was planning on dying here.

Smith: Points not shown on this plan. The four units on Second will be only three to open up streetscape on Willow. The mansion can't operate at all; townhouses allow for the mansion to be renovated.

Resident of Delaware: Townhouses aren't part of the scene on the Delaware River. Not part of the quaint town.

Templeton to Smith: Can you talk about the events you will be having there.

Smith: Events – part of package of caterers. There may be occasions when we will have events – under covenants

Fitzpatrick: Women's club and rec events – home tours

Resident of Maple Ave: Was here at the first meeting – concern with numbers- I don't understand how \$800,000 private to \$1.+ public - we can both maximize loss and minimize gain. We own the building – why can't we keep 10% of the deal. It can become an albatross in the future due to events we can't foresee. In the town's best interest, if it's going to be profitable, why can't we share in the profits. If you were a part owner, you would have a vested interest in it.

Fitzpatrick: \$2million, agreed to reduce 1 unit for \$100,000.

Resident: How many trees are going to be removed? What are the numbers of wedding events? Is there a limit as to how much J2 is willing to contribute?

Devinney: Township took ownership of this building at great risk – not something we did lightly. This kind of risk is best handled in private environment. From my business background, these guys are assuming a hefty risk.

Resident: I don't know why it has to be either/or.

Devinney: I'd like to see the end of the township's risk.

Resident of Woverton Place: Township isn't a business. Property is 5% or less of tax ratables – don't let the minority rule

Ouelette: The minority still have a voice and they deserve to be heard.

Resident of Willow: Traffic for the townhouses - each person with two cars. Where are the cars going to park?

Smith: regulating where driveway openings are going to be. Working with the Township

Resident: Wall between river and township. Anything going to be done to repair the wall before the summer hits.

Smith: Anything we do requires DEP Waterfront Development Permit – minimum of a year to 18 months. We can't do anything about that.

Corcoran: Fenimore discovered severely deteriorating wall – took some temporary steps to shore it up.

Resident: I will lose 75% of my view and will lose when I sell my house.

Resident of Willow: Thanks for taking care of the graffiti . Retaining wall will remain and be restored

Smith: Yes.

Resident: Access holes coming.

Resident: Timeless treasure ... slogans are for businesses. What would full-blown restoration get you?

Devinney: There was interest, but nothing serious.

Resident: I'm against it. I have a beautiful view

Resident of Delaware: Tell us more about the events. How often? Will you have amplified music?

Smith: There will be events like carriage rides and community concerts.

Resident: I know about them. I want to know more about the tents. Will you have amplified music? That depends on the Township Committee – they control what's in the agreement.

Resident: But you're saying that you need to have events outdoors.

Smith: Yes, we need to have events for the B&B to be successful. They will be private events

Resident: I would have had a lot more respect for this presentation if you had said all of this at the first or second round. If you have music in a tent, you now have a public event that everyone on Second, Willow, and Delaware have to hear. How much will the townhomes?

Smith: Not sure

Resident: Ballpark?

Smith: \$600,000

Resident: So you expect someone to pay \$600,000 for a house and then listen to outdoor events at a tent.

Smith: Yes, I hope they will.

Resident: That doesn't make sense to me. It's an interesting business proposal.

Resident of (missed it) : Those who live closest have the most at stake. Those who live in the immediate area have the most at stake.

Templeton: Waterfront is a community resource – people from the entire town use it – people jog, bring their children, walk their dogs, etc. If Capital Academy had come in, that would have been a dead zone.

Resident of Willow: Parking for these events?

Smith: 40 parking spaces. Parking in neighborhood would be much more than adequate. Private events will be private to the B&B

Resident: A carriage ride a year is not worth it to me.

Templeton: You've sought waivers to increase street parking

Smith: Yes

Resident of Willow: You are saying there is adequate parking there? There isn't. We don't have driveways. There is a ton of character in that neighborhood. Willow and Second – best stickball game in the area.

Resident: \$2million we had to borrow. What is the tax implication? What would it raise our tax bills? We'd have to bond for 20 years.

Fitzpatrick: We have that

Templeton: That information hasn't been shared with the Committee

Corcoran: \$300,000 – taxes would go up \$400 – we might be able to bond for half. It would take all of our reserve.

Resident: Commend Committee for taking care of Capital Academy – I see two people who have a plan. We should sell the property. We can't delay it forever. It would be in the town's best interest and you need to work with the residents of the area to make it better.

Resident of Buttonwood: These people have bought property in town – they were going to do this or that, but they didn't. They didn't try to help our Fire or Emergency Squad. We've had to do certain things because certain people bought property in town.

Resident of Pine: How come we had Creek Rd closed on Friday. Rahenkamp did a great job of designing Newton's Landing, but he didn't follow through. We did the right thing buying the

property. My house is one of the original houses, but we have all kinds of houses. PILOT programs - money can't go to the schools, not allowed to by law...people should do their homework. It's like a gong show.

Resident of Buttonwood: They can give to the squad if they don't have to pay the fire tax.

Ouelette: I'd ask for Township Committee to share their feelings on this matter.

Hinkle: Many meetings... this is best for Delanco

Fitzpatrick: Excited about proposal...Mansion revitalized, restored to original look and public will have access. Townhouses will not block view – only two storeys – lower in size. Appealing. Property back on the tax role.

Templeton: Serious concerns. Long-term stability of the property – 16 years failed and financially troubled – burden on town and state. We need a plan so that we wouldn't be here again in five years. Plan has admirable qualities, but having a hospitality business nestled into a tight residential community may cause problems down the road. RE the PILOT – residents don't have the choice in what we have to pay. I think businesses should be paying their full share. This has been a troublesome property. That puts this plan in jeopardy. I think we'll have a cluster of townhouses with a dead core. We may lose the building in its entirety at that point. Small inns and B&B's need to attract these type of things to enhance the balance sheet. Down the road we're going to have to give up more to allow more events and more activities – waivers to the present agreement. Already had people speaking to parking and noise problem. Present agreement has some language in it that it's not clear if it's more or less restrictive. Agreement said it would pay a prevailing wage – that was removed. I've asked for the past two months that Joint Land Use Board expertise be brought in. That was not done. I'm not in favor of the plan.

Devinney: I have to recuse myself. I listened with interest and sympathy for the people on Second Street. It will change my environment to some extent. We came close to having Capital Academy take that place. I'm seeing how difficult it is to make all the citizens be equal. Capital Academy would have hurt land values. I'm very sympathetic on the noise issue. I hate noise. This is a question of where we almost were.

Ouelette: I had reservations, but kept looking at density and intensity of the use of the site. Number of units is down by two. The intensity of the use remains to be seen regarding number of events – written into the language of the agreement – minimized and help the business, but don't negatively impact the neighbors. There were a few items that were blank on the exhibits – will be conditional that they be filled in.

**RESOLUTION 2007-64“AUTHORIZING EXECUTION OF DEVELOPER’S AGREEMENT WITH J2 ASSOCIATES, LLC**

Devinney Recused Templeton No Ouelette Yes Hinkle Yes Fitzpatrick Yes

**MEETING CLOSED TO THE PUBLIC**

**COMMENTS – TOWNSHIP ADMINISTRATOR**

**COMMENTS - DEPARTMENT HEADS**

1. Public Works

-April 1- 15 leaf pickup

-problems with snow removal – only 5 guys working. two flat tires,

- Asked people to pull into the driveway as best as they can when ice/snow so they can clear the gutter so the rain will drain.

-West Ave. dug up waiting for paving

-(I missed one here)

2. Municipal Clerk

-new election district

-April 17 school budget– all at Pearson- school to have public hearing – last Wednesday of March

-May 5 town-wide yard sale – see *Beverly Bee*

**COMMENTS - TOWNSHIP COMMITTEE**

Fitzpatrick:

-Rec Spring into Summer Dance Friday – Castle Harbor – tickets through Kate, Dave Rust

-March 31 @ 1 at West Ave for Easter Egg hunt

-Seniors to King Tut – May 23 and luncheon at Maggio's Restaurant

Templeton: no comment

Hinkle:

-Shade Tree – Seminar was well-attended – workshop and field trip

-Request for excess fill to be removed from Creek Rd. property at Newton's Landing  
Corcoran: Soil was result of construction

Templeton: Get a letter specifying who is getting it and where it is going. Let's get it right the first time

Hinkle: Mr. Templeton needs a letter ...for what?

Templeton: Lot and block.

Lohr: Lot and block.

Motion by Hinkle, seconded by Fitzpatrick

Devinney Abstained Fitzpatrick Yes Templeton N Ouelette N

Motion did not carry

Devinney:

-Attended Bob Bellan's funeral – very touching – great contribution to Delanco.

Ouelette: Thanks to everyone for coming out.