

**FAIR HAVEN BOROUGH COUNCIL
SPECIAL MEETING - JANUARY 13, 2020**

The meeting was called to order by Mayor Lucarelli at 5:53 p.m. The Flag Salute was followed by The Sunshine Law Statement.

ROLL CALL

On Roll Call the following were present: Councilmembers Koch, McCue and Rodriguez. Absent: Councilmembers Banahan, Chrisner-Keefe and Sorensen, Planning Board Members Todd Lehder and Michael Borneo. Others present: Administrator Casagrande, Special Counsel Mike Edwards, Esq., Engineer Gardella, Borough Planners, Fred Heyer and Susan Gruel and Planning Board Member Andrew Sobel.

RESOLUTION

1. Resolution No. 2020-35, Executive Session - Pending Litigation

WHEREAS, the Open Public Meetings, P. L. 1975, Chapter 231 permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist; and

WHEREAS, the Governing Body may wish to discuss the following matters:

Pending Litigation

1. Fair Share Housing

WHEREAS, minutes will be kept and once the matter involving the confidentiality of the above no longer requires that confidentiality, then the minutes can be made public.

NOW THEREFORE BE IT RESOLVED that the public be excluded from this meeting.

Offered for adoption by Councilman Rodriguez, second by Councilwoman Koch

Affirmative: Councilmembers Koch, McCue and Rodriguez

Negative: None

Abstain: None

Absent: Councilmembers Banahan, Chrisner-Keefe and Sorensen

Council went into executive session at 5:58 p.m. and this meeting was reconvened at 6:34 p.m.

A recess was taken until 7:00 p.m. when the Mayor welcomed the public to the meeting and asked Henry Stevens to lead the Pledge of Allegiance. The Sunshine Law Notice was read.

PROCLAMATION

Mayor Lucarelli presented Borough resident, Henry Stevens, with a proclamation which honored him as a World War II United States Navy Veteran and to recognize him for his 100th Birthday which will occur on January 16th.

Raquel Falotico read a framed letter from Governor Phil Murphy and First Lady Tammy Murphy recognizing his 100th birthday and service in the United States Navy.

Councilwoman Sorensen invited the public to enjoy the dessert platters made by Daisy Chocolates and paid for by the Foundation of Fair Haven.

Mr. Stevens thanked everyone for their thoughts and hospitality.

PRESENTATION

The Mayor thanked everyone for coming and introduced the governing body members (Councilmembers McCue, Koch, Rodriguez, Sorensen and Chrisner-Keefe), the professionals (Administrator Casagrande, Special Counsel Michael Edwards, Borough Engineer Richard Gardella and Borough Planners Fred Heyer and Susan Gruel, Borough Clerk Allyson Cinquegrana and Mount Laurel Committee members Todd Lehder and Andrew Sobel). He said the Borough is lucky to have the talent of residents it has. He thanked the Mount Laurel Subcommittee who worked hard on reaching a settlement agreement.

Administrator Casagrande said the governing body recognizes the importance of this topic and have given a great level of commitment and care. She thanked Superintendent of Schools Sean McNeil, the Board of Education and staff for use of Sickles School for this meeting. The Borough looked long and hard when appointing the professionals for this matter. She apologized for the tight

timeline of the meeting, but the courts are monitoring this matter; the process and gave certain target dates to meet and act on. There will be four affordable housing units built. There was a handout for the public available which is also on the Borough website. This topic has been an ongoing concern for the past 36 years. The Mount Laurel Committee took a cautious and fair approach on this topic. The Master Plan was adopted and now we must go through this process. Michael Edwards, Special Legal Counsel, was introduced.

-Fair Share Housing Plan Settlement Agreement. Michael Edwards, Esq., Special Legal Counsel, gave his background with Jeffrey Surenian and Associates for which he handles 30 of their Mount Laurel cases. He thanked everyone for coming out to the meeting as well as the governing body and professionals. He said these decisions are never easy and are usually court based. Most municipalities do not have a meeting until the settlement is reached/finalized. Fair Haven is being transparent by holding a meeting now.

Susan Gruel, Heyer Gruel Associates, introduced herself and partner Fred Gruel as the Borough's Planners. She said she appreciated everyone attending the meeting and the public being involved. She said Fair Haven is the most transparent municipality they have worked with regarding affordable housing and it is good to see this approach. A Power Point presentation with information was prepared for the public; each slide was reviewed. In 2015, COAH was disbanded and given to the trial courts who now handle all municipalities. The period of 1987-1999 is known as, "The Prior Round". Fair Haven is a developed municipality, so we get a vacant land adjustment.

Mr. Edwards reviewed the last slide which addressed the next steps after this evening. There is overlay zoning at the Methodist Church which could house 10 units an acre or remain a church. There will be a Judgment of Compliance and Repose until 2025. In 2025, there will be a new obligation calculation and the process begins, again, for all municipalities for the period of 2025-2035.

PUBLIC PARTICIPATION

Mayor Lucarelli opened the meeting to the public for comments and/or questions at 7:48 p.m. Steven Knowlton, Church Street, said that there was a presentation a year or so ago regarding the reduction of the DPW building site and subdividing/selling lots and asked if that would be part of the overlay zone; no, the lots are constrained by Fair Share Housing.

Jillian Hoagland, Hendrickson Place, said that there are two homes proposed to be built behind her house and asked how this decision was reached. She said the lot at Hendrickson and Allen is too small to fit a unit and it seems that the Borough is looking for more revenue. Mrs. Hoagland said the previous owner of her home told her that the lot at Hendrickson and Allen was not to be developed due to deed restriction. Mr. Edwards said a title search was done a week ago. Mayor Lucarelli said the title report came in today and there are no deed restrictions and this is not revenue driven. The Borough will be moving ahead with the DPW project and will consider the land after. Mrs. Hoagland said she and her neighbors feel "under siege" because of the planned projects; she asked what the time frame is. The Borough has to wait for the matter to be settled with the courts. The future of excess land near DPW is not being considered now. Mrs. Hoagland asked if there were other plots of land that were considered. Mr. Edwards said that the tax maps and areas were reviewed numerous times. Mrs. Hoagland said that her neighborhood is a child dense area and they deal with the brush grinding site and DPW activities. She felt that the Borough has not been forthcoming with the plan. Mr. Edwards said that everything has been vetted and the land involved in this process is owned and controlled by the Borough. Instead of 10 units, there could be two units. Administrator Casagrande said there are several two-family homes in Fair Haven.

John Wopat, Hance Road, asked about the Sunoco site. It is owned by M&M Realty who are developers. The Borough will vote on the agreement at either the January 27th or February 12th Council Meeting in order to comply with the court order and move on to the next phase in the process.

Michael Borneo, Mount Laurel Committee member, arrived at 7:55 p.m.

Sarah Fischell, Riverlawn Drive, said that her brother-in-law bought an Affordable Housing property in California, so she is familiar with the topic. She said that Fair Haven's population has decreased not increased in the last 40-50 years and the median home price is over \$800,000. Mr. Edwards said RDP has great weight; 371 units were first required to be implemented and the court was advised that there was no way to build that many units in Fair Haven. The pros and cons of overlay zones vs. rezoning were requested. Mr. Edwards said that the overlay zone allows use for perpetuity and to address the unmet need aspect. Rezoning is an overhaul of the zones and zoning laws within the Borough. There is a borough-wide set aside and affordable housing units are part of the plan. There is a proposal for an accessory apartment program. Mrs. Fischell said it would be nice for the town to have two family units with parking.

Audrey Henne, Oaklawn Road, asked what is considered a vacant lot or land. Mr. Edwards said it could be public or private land. The overlay zone is the commercial or mixed-use areas. She asked if M&M Realty is who owns the old Sunoco site; yes. She asked if the Methodist Church was owned by the church board; yes. All of these are considered vacant lands. Mr. Edwards said that the Sunoco is vacant or underutilized; they do not have a right to a Builder's Remedy lawsuit. Mrs. Henne questioned what would move over to the church site. Mr. Edwards said the process being discussed is to avoid a Builder's Remedy.

Liz Taylor, Forman Street, asked if the units will be purchases or rentals. Mr. Edwards said one will be a rental and the other a sale. The Sunoco could be a rental; we can't govern. She asked if there would be townhomes or condos. She was told that they can build units and negotiate with the Methodist Church site. M&M Realty owns the Sunoco site and the church owns the Methodist Church.

Emily Link, Parker Avenue, asked if the Methodist Church has been chosen through the process? If there is interest in buying the church property? Will the property be built on? Todd Lehder said that this property is unique as it stands alone, not adjacent to anything else. The Borough is not doing this voluntarily but being forced to do it through affordable housing. It will be developed as most compatible. It is five acres with a constraint to develop which would be three acres. Ms. Link asked if there would be an option for residents to build large townhomes. Mr. Edwards said that accessory apartments or structures could be built. Ms. Link asked if there would be redevelopment elsewhere and why it had to be new construction vs. duplex units. If the Borough rezones, she asked that we get rid of picket fences.

Gudrun Koletzki Bailey, Fisk Street, asked if there would be senior housing in the future; yes, there will be senior or age restricted housing. She asked if it would be affordable; yes, there is a senior cap.

Liz McNeil, Third Street, asked if there would be two rentals at the Sunoco site; yes, one moderate income and one low income. She asked about the lot at Hendrickson Place and Allen Street; there will be one rental and one for sale. It will be for family (one moderate income and one low income rental). She noted that there was mention of Habitat for Humanity being involved. She was advised by Mr. Edwards that the Borough would donate the land, they have income from the State and M&M Realty would provide a financial contribution as well. Mrs. McNeil said she heard Middletown is out of the process and asked if it was true; yes. She asked that it be explained how they do not have to abide by the regulations. Mr. Edwards said that he does not represent Middletown, but the developer can build housing through the builder's remedy process. Middletown is accepting risk of a builder's remedy suit and do not feel threatened by it.

Linda Lessor, Grange Avenue, asked if there will be a 14-unit complex with businesses below. It will be 12 marketable units and two affordable units with businesses below. It was asked where parking will be for the businesses and tenants. There would be overhang/tandem parking. Mrs. Lessor said there are parking problems already in the area of 612 River Road.

Al Zager, McCarter Avenue, asked if the Methodist Church site included the minister's house on McCarter Avenue; yes.

Mrs. Hoagland asked what the timeframe for the Habitat for Humanity project would be. She was advised that the Mayor and Council need to vote on the Fair Share Plan at either the January 27th or February 12th Council Meeting. There needs to be a proforma and construction plan as well as any land use ordinances in place before any project begins; it must be done two years from the court's judgement.

Tara Jordan, Rustic Terrace, asked how the church's land would be obtained; it would be sold to a developer. She asked what the overlay zone is. She was advised and was told that there are four affordable units that can be provided. The overlay calculation and process was explained to the public.

Gene DeFalco, Harding Road, asked about the 2019 Housing Element Plan which showed 20 units per acre. He was advised that the ground floor of the Sunoco site could have businesses such as offices, restaurant(s), coffee shop. Mr. DeFalco questioned how traffic would enter and exit the site and if there would be a traffic light installed at the intersection of Cedar Avenue and River Road. Mr. Edwards said there has not been any discussions regarding a traffic light as of yet. It was asked if there would be tax relief for the project; no pilot program has been contemplated.

Mike Sena, Lake Avenue, asked if there was any thought given to the impact this would have on the schools. Mr. Edwards said this meeting was with regard to the settlement plan which has an overlay for seniors. Mr. Sena said the taxpayers just passed a \$15 million school referendum

last year. Mr. Edwards said that is understood, but it is not compelling; we can mitigate the impact. Mr. Sena asked about taxes and if there would be a different tax rate for the project at the Sunoco site. The ground floor retail would have their own ratable(s).

Jennifer Spitz, William Street, asked about the property at the corner of Hendrickson Place and William Street and if it would be a home with a rental unit attached which forces the homeowner to be a landlord. She said the homeowner may not want to be a landlord. She was advised that an Administrative Agent would need to be appointed as part of the process. Mrs. Spitz felt there was a better way to create the plan than to force a burden on someone.

Mrs. McNeil asked what the overlay zone meant and if it is required to be built as moderate to low income. Mr. Edwards said that it is an opportunity which the land owner has the right or opportunity to do. It was asked if construction must take place by 2025; yes. She asked that someone speak to the timeline of this project vs. the school construction timeline. Councilman Rodriguez said that our full plan should be accepted by the end of this year and we will proceed from there.

Diane Mevorach, Navesink Avenue, asked about the Sunoco property having retail at the bottom/ground floor of the building. Mr. Edwards advised that it is what the overlay shows. She said the property next to the site is a two-family home and asked that the building be made to match it. Mr. Edwards said that the plan is to maintain the ratables with a walkable downtown which is part of the housing plan. Mrs. Mevorach asked what the size of the DPW site is and how much of it will go to Habitat for Humanity. Engineer Gardella said the DPW property is about ½ an acre. Administrator Casagrande said that the lots would be 50 X 100 which conforms to the R-5 zone. Mrs. Mevorach asked if the new DPW will be built. Mayor Lucarelli said that it would not be the land to the south; it is not considered a vacant piece of land. It was asked if one of the affordable units will be designated for seniors.

Mayor Lucarelli explained to the public that the land owner does not determine who rents the unit. There will be an advertisement of the lot/unit and a lottery system will be established; an outside entity will determine who gets it.

Councilman Rodriguez reiterated what Mr. Edwards said earlier in the presentation that almost all Fair Share Housing plans do not have a senior overlay and Fair Haven's does. Mrs. Mevorach said she lives in the overlay zone and asked how this will affect her. She asked if garage apartments will be allowable. Mr. Edwards said that housing and the lots will have to comply with zoning.

Mr. Lehder said that this is not addressing apartments on the lots. He explained the apartment process is governed via ordinances. A resident does not have to sell their lot to reap the benefits. Fair Haven Borough is not buying residential property.

Mr. Knowlton asked how many years are involved for the restrictions regarding affordable housing; 30 years. He asked if the DPW project is going forward and where the funding is coming from. Mr. Edwards said that the DPW site is no longer part of this process. The lot at Hendrickson Place and Allen Street is the focus. Administrator Casagrande said there has been no final determination on the DPW building; it still has to go out to bid.

Susan Harbison, Tyson Drive, said that every day we are losing affordable housing. Many people who chose to purchase property in Fair Haven did so for the diversity including school diversity. She said there are more creative ways to keep what is affordable now.

Mrs. Fischell said that besides the four affordable units, what is the total amount we are striving for. She asked what is considered realistic for the courts in order to get to 371 units. Mr. Edwards said the Fair Share Plan was adopted to be defensible and we identified the best overlay zone and we have endorsements for it.

Mr. Lehder addressed single family homes being affordable. Fair Haven has changed a lot over the years and prices of housing has gone up. This process does not affect what home prices are. Individual homes could be taken and subsidized. Fair Haven is meeting the court's requirements for what would be affordable to the taxpayers. No one is asking for multi-family housing. The committee came up with a viable plan and tried to strike a balance and are pleased with the plan that has been created. The zoning standards have not yet been put into place.

It was asked if the plan is approved by the court, would that mean the overlay areas are approved as well. Mr. Edwards said that the plan is adopted separate from the overlay zone; everything is conceptual at first. Mayor Lucarelli said to help the public visualize the design concept, they should take a look at the new development near Monmouth Park Racetrack which has

retail on the bottom and housing above.

It was asked how many municipalities have adopted an Affordable Housing Plan; approximately 200-250 have settled (½ of the New Jersey municipalities are participating in the process).

Mrs. Mevorach complimented Todd Lehder on how articulate he is when explaining the plan and information. She asked the Committee to stand in the Krauszer's parking lot and look across the street. With this plan for the commercial and housing on the lot, the structure will be higher than the 35' allowable. There is no more brick and mortar. Mr. Lehder said that there will a big change on the lot from it being the vacant lot it is now. The market drives the costs and dictates what we will try to maintain. Mrs. Mevorach said the Council is insisting on rentals and it seems that M&M Realty doesn't want that.

Sharon D'Angelo, Hance Road, asked if the Power Point presentation will be posted on the Borough's website; yes.

There being no further comments or questions, the meeting was closed to the public at 8:59 p.m.

ADJOURNMENT

Motion to adjourn moved by Councilwoman Sorensen, second by Councilwoman Koch with Ayes by all present.

Time of Adjournment: 9:00 p.m.

Respectfully submitted,

Allyson M. Cinquegrana, RMC/CMR
Borough Clerk