

WESTAMPTON TOWNSHIP COMMITTEE MEETING

6:00 PM SPECIAL MEETING

May 31, 2017

The special meeting was called to order at 6:00 PM with all Committee members present.

Requirements of the Sunshine Law were read. This meeting was advertised in the Burlington County Times May 26, 2017. The flag was saluted and there was a moment of silence.

Roll Call:

Committeeman Lopez	Present
Committeewoman Smith-Hartman	Present
Committeewoman Teleisa	Present
Committeeman Wisniewski	Present
Mayor Daniels	Present

Al Marmero, Solicitor, was present.

Maria Carrington, Administrator, was present.

Public Comment on Agenda Items

Deputy Mayor Lopez made a motion to open the meeting to public on agenda items only, Seconded by Committeewoman Smith-Hartman, All in favor

Nancy Burkley - Regarding PILOT issues, Ms. Burkley is very concerned about the effect of PILOTs on schools. New developments bring school children which must be educated at the expense of taxpayers. Developers seek PILOTs so that they can offer rents at lower costs for low and moderate income. The Ingerman should have had their paper work in on time and not need an additional extension to the Redeveloper Agreement.

Jonathan Wright - Plea to put people over politics. Voting yes would put Westampton on a bad track and hurt Mayor Daniels' legacy. Ingerman had their chance and had their extension. We don't need to hand out corporate welfare.

Machell Pettis - Would civil rights be violated by not extending this agreement?

Gary Berberian - Regarding Resolution 83-17, the PDF on line was missing page 2. Administrator Carrington stated that she must have erred in the scanning and if this is noticed earlier, it could have been easily fixed. Mr. Berbarian asked about the Consent to Assignment and whether it would be executed tonight. Deputy Mayor Lopez and Solicitor Marmero summarized the need. The resolution tonight would authorize the

execution of the agreement. Regarding Resolution 82-17, Subsection 1 references Second Amendment, should read Third Amendment.

Gary Jacques - Has Westampton met its commitment for affordable housing? Are you harvesting votes for the Democratic Party by putting in a low and moderate housing developments. He thinks people are doing this for the wrong reason and should be ashamed of themselves. He is concerned about the motivation behind this. He will move if this goes through.

John Mumbower - Regarding Resolution 82-17, this will impact the schools. We need to do what is right for the township residents. He cares about what is going to happen this town. This deal and Project Freedom were not well negotiated. Woodmont is on the horizon too.

Jane Zalewski – Homewoner on Sharpless Boulevard since 1998 in a community that has all income levels. Why are we straying from home ownership? Her development works. There are a lot of long time homeowners there after 18 years. I am proud to have paid taxes and I wish people would think bigger and get mortgages.

Laurie Hustus – Schools are already bursting at their seams. We lost a chance to buy a new building and if we have to build a school then our taxes will go up more.

Carlos Camiero – This deal was negotiated several years ago. Please demonstrate your leadership. Westampton is great diverse community, but affordable housing is not a license to enter into bad deals. Think about your leadership. Please reconsider and renegotiate a bad deal.

Malcom Whitely – The last two years Westampton has been moving in a right direction; you didn't always agree, but you worked together. Now we are going back to rehash an old idea. Let it die...if it is a good deal for them where they will make money then they will be back and maybe with some picnic areas and other benefits for the community. There could be a lot more kids than estimated. He would rather see 2.5 million dollars going toward our schools then to a developer making money.

Andre Sutton – We seem to be building these developments in the same concentrated area. She is a mental health practitioner and it is not right to just open up communities without access to transportation and jobs. Sets people up for failure.

Elinor Broadbent – She agrees with everyone and does not want any higher taxes. Please keep your promises of looking out for the people of Westampton and not the big business guys.

Janet Curran - She is here because what she read in the newspaper. She is not a fan of affordable housing and rents at \$300 to \$1,200 is a lot of money. They have to buy utilities and food and clothes. People here in Westampton are already having a hard time getting by. We still don't have an answer on how much affordable housing we need to

have. These developers come in, make their money and leave. We are left taking care of these families. She has worked for years helping needy families and now there are so many we haven't been able to keep up. Our schools are already getting crowded. What will the future be if this development is allowed?

Anthony D'Errico - He read the agreement and past agreements. Stipulations say that there will be low income units but if they are not rented then they will be open to others. The numbers of children they expect in the school system doesn't add up. When he first came to Westampton, he researched the school system which is what most people look for. The bucolic neighborhood is slipping away and reducing the values of homes in the community. These are not luxury apartments. Do the right thing. He has not heard anyone say that this is a great deal and let's not move forward.

Juanita Smith - We are coming at a cross road of poor planning. We need to move in the right direction. She does social work. Let's look into affordable senior housing. Developments should provide appropriate support for the care and needs of the people. Cooperation and progress needs to continue.

John Mumbower - Negotiations were not done well. We should negotiate on behalf of our residents. Why don't Westampton residents get first crack at these houses? Why can't this housing be for our children who are graduating from college or for the elderly?

Closed to public comment.

Old Business

Resolution #82-17, Tabled from 5/15/17 regular meeting:

Developer given the opportunity to speak to this issue. Attorney Peter Wolfson stated that he was here three to four years ago when we started this project. This resolution would be an extension of one month. First of all, Ingerman has not delayed the need for this extension. The cause of a prior engineer told them the property was in the sewer service area when it was not. Ingerman has had to work for months with the NJ DEP. There are legally binding and enforceable agreements in place on which Ingerman has spent hundreds of thousands of dollars. They asked the property to be evaluated as being in need of redevelopment by the Committee. Such a determination was made. A redevelopment plan was created. After the plan was adopted, Ingerman was named as the Redeveloper. The PILOT in this 100% affordable project rather than an inclusionary project. In an inclusionary project, the mixed levels pay for the lower units. When the project is 100% affordable, the PILOT is necessary for financing. Affordable units are required. Regardless, it is a benefit to municipalities for when 100% you get 2 for 1 credits. If this were 20% inclusionary project, there would be approximately 220 units. Ingerman and others have relied on the legally, enforceable documents. This development is a cornerstone of your fair share plan and the plans for this community gave Westampton immunity from builder's remedy suits. If we stop working toward the

plan, immunity would be stripped. They are now nearing the end of a four-year process. He is willing to answer any questions.

Committeewoman Teleisa asked if there is any way we can target the housing for Westampton residents such as college students coming home. State of NJ has complicated tax credit program. Is it impossible to change the character of the project in any way. The Ingerman development is good way to go forward with our fair share program. Existing regulations must be followed by Ingerman with regard to selecting tenants.

Deputy Mayor Lopez questioned Mr. Wolfson's statements regarding the sewer service area and whether the Township professional gave false information. He questioned the authenticity of this as the alleged false information was never mentioned in any emails in which extensions were requested. PILOTs are not needed for 100% affordable developments. Open space is sought after. He disagrees that Woodlane Road was in need of redevelopment. Immunity from builder's remedy has been provided because we have shown that Westampton embraces economic diversity. Ingerman is not a cornerstone project and that is evident when you heard a resident discussing the history of Spring Meadows tonight. We also have Rolling Hills and Project Freedom. Mr. Wolfson was accurate when he stated that Westampton has shown to be continuing working toward affordable housing. We are planning a meeting with our planner and other professionals to continue to do so. We want to go back to the drawing board to determine the right spots in town to build developments.

Attorney Wolfson thanks the committee for their assistance and information. An engineer's advice was rendered in the very beginning of this process and is not meant to disparage any current professionals. Although this development cannot be switched to a senior living, it doesn't mean that seniors can't live there.

Brad Ingerman, CEO - His firm is now working 105th affordable housing development. 50 in NJ. And some are in the most affluent areas of the state including Wall, Haddonfield, Woodbridge, etc. While he recognizes that affordable housing means \$20-50K it doesn't mean inferior housing. If you go to his other NJ properties, they are indistinguishable from luxury apartments. Our offices are in Collingswood NJ. We are proud of our track record. We do set aside money for social service support such as financial counseling and sources for other social service agencies to assist them in activities and transportation. Any time over the 25 years that we have been doing this, any Committee person can call him on my cell and he will get them answers. Regarding the engineer, 4-6 years ago the application to include areas of the town to be included in the sewer service area, DEP says that they commented on the application...and somehow the professionals and county/township people did not respond to the questions and the property had been dropped. This is why a subsequent year took place.

Mayor Daniels – asked whether there would be an impact on our school system and asked for an explanation on why cannot now renegotiate to help our school system.

Mr. Wolfson – The number of children has always been estimated at the same. Binding legal agreements that the State of NJ and other financial parties have relied upon so it is too late to renegotiate.

Mayor Daniels asked Solicitor Marmero about the requirement that Westampton has to donate land and what the impact would be if we do not authorize the extension. Would Ingerman be in breach of the agreement. Solicitor Marmero said that the earlier extension of the agreement requires that closing and construction financing be completed by May 31, 2017 so would be in breach tomorrow. We would put them on notice that they are in breach. There is a 90 day cure period. So once they receive notice, they have 90 days to cure breach. We would have to let them cure that breach.

Deputy Mayor Lopez asked about the land. The apartments are to be built on land owned by Hovanian who is to give the land to the township to give to Ingerman. Would the land would stay with Hovanian? Hovanian has already donated the land to the Township.

Deputy Mayor Lopez - Project could still go forward if we vote no on the extension.

Committeeman Wisniewski – Are we at risk of litigation if we vote no? Solicitor Marmero answered that he imagines so. He is not sure if it would be right away but the breach could affect financing. Committeeman Wisniewski stated that he came in with an open mind. He wants the facts to make a decision. He trusts the solicitor's opinion.

Deputy Mayor Lopez - There is a time and a place. The time for asking question is over. It is the time to make decisions which is the fiduciary duty of officials.

Committeeman Wisniewski – He is not going to go back and forth with someone who doesn't know him or what he did. He spoke with the Solicitor before today. He wants to give the public all the information he has. He is asking his questions again so the public hears the same information what he did.

Deputy Mayor Lopez – Legal matters and litigation should only be discussed in executive session.

Solicitor Marmero states that there could be litigation.

Mayor Daniels - Could Ingerman lose the financing? Solicitor Marmero states that they would have to disclose the reason for being in breach, and it could upset the entire process.

Mr. Ingerman – In anticipation of closing in the next two weeks, he has reread all of the legal documents including loan documents of \$12 millions. There are warranties and certification. He has to sign certifying that there is no known or current breach or grievance affecting these transactions, and as such he may not be able to sign. It may not be impossible to close transaction while in breach, but there would be hurdles. This is not a situation where you miss this year, and you can come back next year. The financing that

is currently secured for this development is at no cost to the township, besides social; there is no direct cost or subsidizing. Only 6 projects a year get this type of financing and now, in the current area, municipalities are scrambling to get these tax credits, but they may not be available in the future. Things have changed in the award process so it unlikely to get BC money and there would no trust fund money. Land donation was a way to get financing so that was a hurdle.

Motion made by Committeeman Wisniewski to adopt Resolution 82-17, seconded by Committeewoman Teleisa.

Deputy Mayor Lopez – Thanked Ingerman for choosing Westampton. He was born and raised in Section 8A and it was 100% affordable housing. He is not anti-affordable housing. He is the son of a minister and not against helping others. He is the first one in his family to own a home. He is doing his job by reading thousands of documents. He is just reporting what he is reading. Things that should have been discussed out in the open. The executive sessions of the past were illegal so the committee is now hosting only open sessions unless certain restricted topics need to be raised. We don't know what the number of units are that we need. School numbers have been much higher for Project Freedom than originally estimated and include a special education student and one out of district placement. He is working on an initiative where we can turn foreclosed homes into affordable housing units. He has proposed an ordinance in line with what Jersey City passed last month that states that all affordable housing should first go to current residents. He wanted this opportunity for residents last year, but was told it was illegal. He urges his colleagues to follow their oath to put people over politics.

Committeeman Wisniewski – He doesn't like the location or the agreements. He would have loved to be a part of these negotiations, and he agrees with most of the concerns raised by the residents. But he is going to vote yes, because he believes the project will go forward anyway and does not want to risk litigation.

Committeewoman Smith-Hartman – She was not here when this agreement was negotiated, but she believes District 1 is over saturated. She feels bad for Ingerman and would love to see the development elsewhere. She is also concerned about the impact on the schools.

Committeewoman Teleisa - We have a binding legal agreement and exposure to litigation. She regrets that we didn't consider the development being designated for senior housing. We did this years ago because of the need to address the COAH affordable housing issues. We have obligations for affordable housing. Many towns have tried to avoid and others are trying to be proactive. We chose a developer. We need to move forward so that the developments were not dictated by others on us. The numbers of actual students in other Ingerman communities were actually lower than projected. We need to follow our legal obligation.

Mayor Daniels – He is realizing the American dream. Affordable housing is hand up. A few years ago he was not the elected official that he is today. He wishes they had

negotiated a better deal. They were looking at numbers that were offered to us with regard to affordable housing. He is sensitive to the need and aware of a constitutional requirement. He could have done more back then. No matter what happens here tonight, the applicant has stated that they will attempt to go forward. He agrees with Deputy Mayor Lopez that there were some representations that were made to us that may not have been accurate. He agrees with the Westampton First initiative. He is concerned with young residents who cannot move back to Westampton because it is cost prohibitive. He agrees that home ownership is a way to grow communities. There is some testimony that this is being done for a political reason, he disagrees and it was never for that reason. This is going forward. And another bite of the apple would be great, but this is a legally enforceable agreement. If his political career is over next Tuesday, then so be it.

Deputy Mayor Lopez and Committeewoman Smith-Hartman voted no, Committeewoman Teleisa, Committeeman Wisniewski and Mayor Daniels voted yes.

New Business

Resolution #83-17, Authorize Execution of a Consent to Assignment Agreement for Block 203, Lots 1.03, 2 & 3: Moved by Deputy Mayor Lopez, Seconded by Committeewoman Teleisa, Deputy Mayor Lopez and Committeewoman Smith-Hartman voted no, Committeewoman Teleisa, Committeeman Wisniewski and Mayor Daniels voted yes.

The meeting was opened to the public for comment.

Jonathan Wright – He is disappointed about the vote on Resolution 82-17. Why not vote no and let them go through cure process. Hopefully next January we have two new forward thinking people on Committee. Our school is bursting at the seams. Our special education needs help. We are going to need another school. I love Westampton. My son is going to go to kindergarten in a few years. You mess with my kids and I am out.

Eleanor Broadbent - If they were to sue us, how much would this cost to litigate. Solicitor Marmero said that he is unable to answer. But this community is also going to cost us \$15 million so fighting the litigation would probably have been less.

Janet Curran – She is very disappointed. You need to overlook the past and someone could have made a difference tonight and we are going to pay for it.

Machell Pettis – She has lived here for a long time. Your hands were tied and behind your back. The bottom line is if you went into litigation, we would have had another lawsuit. We already have Carty lawsuit, thanks to Maybury and Chang. When we talk about schools and how much it costs to educate a special education, not that her kids go to private schools but she still pays \$12k in taxes due to owning two properties. A community takes on the responsibility. It takes a village.

Gary Berberian – He appreciates everyone's passion. Don't be discouraged.

John Mumbower – The people who spoke tonight about the costs to educate children did not intend to stigmatize special needs children, rather the statements were meant to highlight the costs and how the PILOT will not be close to what the costs are. Our township did not do a good job in negotiating.

Anthony D’Errico – He wanted to address Ingerman represents. They probably don’t have low income housing near their homes. We don’t know COAH numbers. We don’t have an obligation to build affordable housing. We don’t want them at all. Do not pursue turning over foreclosed homes. The statement that towns are scrambling to get this financing is not correct. Each municipality should be masters of their own destiny. It is time for this group to step up. If it means getting involved in a lawsuit then so be it. It will show outside companies that Westampton demands honest and fair treatment.

Frank (last name unintelligible) – He is new to the community but grew up here. He was in the army. Maybe he doesn’t understand because he is new, but if we voted no they were going to get the financing anyway. So if you voted no, there would have been a chance for them to renegotiated. The lawsuit would have been cheaper to deal with then the cost of them building. He is curious about the logic behind voting for this. I feel Ingerman was threatening the township a little bit.

Closed to public comment.

Closing comments.

Committeeman Wisniewski – His decision was based on the threat of litigation. If we could fight and win, he would have been on board, but there is a legally enforceable agreement. If we lost we would be paying. He took the advice of counsel.

Deputy Mayor Lopez – He had tears in his eyes tonight. We can’t keep doing this. He is trying to help people and we keep making the same mistakes. He has mastered the formula of the past: Phase 1: Lie to residents about developments; Phase 2: State that I could have done a better job if I had known what I know now; Phase 3: we may get sued. They may not have sued us. They may have come back to renegotiate the deal. There is always a potential for a lawsuit. There has been one solicitor that negotiated all of these deals: George Saponaro. I won’t get into the discussion of litigation. Who negotiates a contract with lifetime benefits? Local Strategies LLC is owned by Jason Carty and who incorporated it? George Saponaro!

Mayor Daniels – He has been extremely patient to let everyone speak. He believes the Deputy Mayor went clearly off topic and that is fine if that is what he wants to do. He owns his vote. He clearly stands in the middle, independently, by himself. He respects all who were here tonight. He loves this community. Thanks all of the Township Committee. Ultimately the public will decide who sits up here and he is okay with that. Just because Deputy Mayor Lopez disagrees with him doesn’t mean that he is wrong. It’s always the right time to do the right thing. He has to live with his vote. At the end of the day, maybe

no one won tonight. If you get to the point that only if you agree with me the you a good American and person... who does that? No person should be set upon just because they have a right to their vote. Let the voters decide next Tuesday. Perhaps I will be retiring on December 31st. The salacious charges against him are awful to have his children read. And when they found out that they are not true, who supported me? The beauty of democracy is ability to agree or disagree without becoming adversarial.

There were no further comments and the meeting was adjourned.

Respectfully submitted,
Maria Carrington, Deputy Municipal Clerk