

## **FLORENCE TOWNSHIP COUNCIL EXECUTIVE SESSION**

**February 11, 2009**

**8:10 PM**

### **CALL TO ORDER**

Council President Baldorossi called the meeting to order.

### **SUNSHINE STATEMENT**

The Opening Statement was read: Notice of this meeting has been given in accordance with the Open Public Meetings Act. Notice was published in the Burlington County Times on January 11, 2009; given to the Register News for information; posted on the municipal bulletin board.

### **ROLL CALL**

Present: Bruce Garganio, Dennis O'Hara, Sean Ryan, Jerry Sandusky, Frank Baldorossi

Also Present: Mayor William Berry; Richard A. Brook, Township Administrator; Dante Guzzi, Township Engineer; Russell Trice, Township Water and Sewer Engineer; William John Kearns, Jr., Township Solicitor; Joy M. Weiler, Township Clerk

### **PUBLIC COMMENT**

John Fratinardo, 4 Yockus Lane, sees that that there will be discussion regarding releasing bonds for John Galt Way and asked if bonds were normally held for a public road? Dan Guzzi, Township Engineer, explained that Performance Bonds are also held for private sites. This is a private road.

Mr. Fratinardo stated that he was at the County office recently where he was advised that Florence Township requested an extension on the reassessment and asked the reason why? Administrator Brook explained that when the township initiated the reassessment, they did so voluntarily. It was not required or under any order from the County. As the township was coming down to the wire and every intention was made to have it implemented this year, it was found that they were having a difficult time getting the commercial properties done. When a reassessment is done, it is done for the entire community, which is over 4,000 residential line items. Those line items have to balance and if those numbers are not ready to go, as they should be, the best option is to ask the County for a one-year extension. Mr. Fratinardo stated that the inspections that have already been done and are a year old will no longer qualify for the reassessment. Administrator Brook explained that the data on the homes that has been collected so far will still be valid. The data from the homes is not going to change much between now and 2010. He stated that they are not looking at cosmetics so much as structural. The extension really gives the Tax Assessor, Dennis Bianchini, a much better ability to look at it township wide. A reassessment is a moving around of the values of the community to get closer to 100% of the ratio, and when that is done, there are homes that drop in respect to their property taxes and homes that increase. It balances out throughout the entire community. Administrator Brook explained that, aside from what is taking place in the market, the commercials have put an extremely heavy amount of pressure on doing that. He explained that NFI will be building on Route 130 and most of the buildings on that property are presently vacant and will be demolished. Mr. Bianchini needs as much time as possible to factor all of that in along with the residential.

Mr. Fratinardo lives in the Greenbriar development and feels that development has been overtaxed, since it was built, in relationship to the rest of the community. Administrator Brook stated in most cases the value that Mr. Bianchini used was less than the purchase. He does not believe that it is accurate to say that Greenbriar has been over assessed from the time they came into the

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municipality. Mr. Fratinardo disagrees. Administrator Brook offered to meet with Mr. Fratinardo along with Mr. Bianchini in order to fully review.

Mr. Fratinardo expressed his displeasure that the residents cannot go before the Planning Board or Zoning Board to put a deck on their house; it is the builder that would have to go. Administrator Brook stated that Mr. Fratinardo was on the Planning Board when that development was approved and is well versed in how it was approved and the land use conditions that were placed on the development. Administrator Brook stated that the Greenbriar development has the largest impervious coverage approval of any location in the municipality. Administrator Brook has spoken to Greenbriar's Homeowners Association regarding impervious coverage at that development many times and believes he has correspondence in writing with the association and some homeowners. He explained the development was approved with a significant amount of impervious coverage, which has been maxed out throughout the entire development, so much so that the Township Engineer did a chart showing the lot coverage for every single property and averaged out throughout the development so it would not go over. Administrator Brook will check the records for the exact percent. He explained that through the approval of the development, an individual homeowner cannot go before the board for impervious coverage, it has to be changed for the entire development. Administrator Brook stated that it was very clear how the Planning Board approved the development.

Discussion followed regarding brick pavers. Administrator Brook stated that Florence Township's policy on brick pavers benefits the homeowners.

Mr. Fratinardo discussed the lighting in Greenbriar. Council Member Ryan stated that Council has had extensive discussions regarding the lighting and has reviewed the police report. He agrees there was a planning error with the lighting. Council has looked at solar street lighting and after extensive review they found that solar lighting does not work well for street lighting. Council is looking into a remedy. Administrator Brook stated that the funds are in the draft budget for lighting in Greenbriar. Council Vice President O'Hara stated that it is a priority of the governing body, administration and the township professionals.

John D'Acquisto, 7 Yockus Lane, asked why there was not enough time to finish the commercial properties for the reassessment? He stated that it has been 16 years since the last reassessment. He stated that an extension of the reassessment does not help the residents on their side of Route 130; it helps residents on the other side. An extension costs him money. Mr. D'Acquisto stated that the reassessment began in 2007 and believes the Tax Assessor only works two days a week and feels he should have been given help.

Mr. D'Acquisto believes that Dean Foods (Garelick Farms) is assessed at \$225,000 and they pay \$9,200 in taxes; he believes there is something wrong there.

Mr. D'Acquisto spoke with the County and believes that what he was told by the County does not jive with what he is being assessed at. Administrator Brook offered for Mr. D'Acquisto to come in and meet with Mr. Bianchini. Mr. D'Acquisto stated that he would not come in; he is going to file a petition. Administrator Brook made the offer to meet with Mr. Bianchini because Mr. D'Acquisto is making claims without the facts. For example, Mr. Bianchini works five days a week for the township, sometimes six or seven.

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Mr. D'Acquisto believes the reassessment should have been done when the new high school was approved. In response to Mr. D'Acquisto's reference to the new high school, Administrator Brook explained that the township has no involvement with respect to the high school.

Administrator Brook explained how a reassessment works. Reassessments in the State of New Jersey are not done every couple of years. Throughout Burlington County most towns did their last reassessment around the same time that Florence Township did. At the present time there are approximately 10 towns that are under an order to reassess. Florence Township voluntarily went to the County and asked to initiate a reassessment and do it in house because the Tax Assessor knows the town better than someone from the outside. Sometime late in 2008, Administrator Brook and Mr. Bianchini were discussing the reassessment and Administrator Brook became extremely uncomfortable and was not so sure that they were going to be ready to put everything on the books in 2009. When claims get made that one development is paying so much more in taxes than other areas of the township and the sizes are so different, all he can advise is for the homeowner to come in and review the property record cards. The bottom line is that a reassessment is not done every couple of years or every five years, it is done based upon what happens in the marketplace. It was very clear starting in 2007 that Florence Township had to voluntarily take on the process.

Administrator Brook stated it could have been put on the books for 2009 but, in this market and with respect to what is occurring with the commercials, it would not have been the best product that could have gone on the books for the municipality. He knows that if the reassessment is not implemented in 2010 the County will order the township to do it. The township is ahead of the curve by being where they are. It is better to put a product on the books that is the best one compared to a product that is inferior. Administrator Brook again offered Mr. D'Acquisto, Mr. Fratinardo or any homeowner the ability to review the records.

Administrator Brook explained that there are two main factors that drive values; one is comparables, which is the way reassessments are done. In Greenbriar, in the last two years there were only 14 sales; only five in the last year and one of those was distressed, which means that there may have been a divorce or death. A distressed sale cannot be used as a comparable. There are other factors that go into accessing such as coefficients and ratios. The coefficients are not as bad as it seems.

Administrator Brook stated that the reassessment is necessary, it does have to go on the books, but it would not have been the best product to be put out there for the community because a reassessment is done community wide, regardless what someone thinks about their particular development; it affects every homeowner and every business in the township. Administrator Brook takes full responsibility for recommending to Council to wait to put on the books until 2010.

Administrator Brook stated that help was brought in for Mr. Bianchini and he knows this town better than anyone. He offered for Mr. D'Acquisto and Mr. Fratinardo to come in and meet with the Tax Assessor. Mr. Fratinardo stated that he met with Mr. Bianchini and discussed a particular home that is assessed \$1,000 lower than his that has comparable square footage but a much larger lot plus a basement. Administrator Brook offered for Mr. Fratinardo to come in and meet with Mr. Bianchini and himself. Mr. Fratinardo stated that he does not need to come in and talk; he is going to file a petition.

Administrator Brook stated that Florence Township is run as a very open government and anyone is welcome to come in and review the records.

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Administrator Brook stated that it would not have been the right thing to do to put an inferior reassessment on the books, a reassessment that was not ready.

Mr. D'Acquisto asked how many commercial properties there are in the township? Administrator Brook does not know off the top of his head but will get the figures. Mr. D'Acquisto believes Administrator Brook should know approximately how many businesses. Administrator Brook explained that at the present time he is working through a budget that is millions of dollars; he does not remember every single number to the letter. He is prepared to get the figure for Mr. D'Acquisto tomorrow.

Administrator Brook explained that inspection of commercial properties is very time consuming; the buildings are valued and there are some things within the building that are not taxable. Some commercial properties are assessed on an income approach where you have to see what they are bringing in with respect to rent. If he thought it could have been done effectively for 2009 he would have recommended it, even though it is a difficult year to do a reassessment.

Discussion followed regarding the Tax Abatement Program. Administrator Brook explained that the Tax Abatement Program attracts businesses to the municipality. NFI, for example, has to put in a \$2M jug handle and pay 2.5% of their value for affordable housing. They are taking the Tax Abatement as part of their development agreement. Administrator Brook stated that in the next five years, with the three (3) Whitesell buildings that have been constructed, there will be \$45M - \$50M in ratables on the books. He does not believe they would have come here if Florence Township did not offer the Tax Abatement, along with other commercial developments in the township. He explained that they still pay taxes on the land but taxes on the building are phased in over five years. That is an incentive for developers to build in the community. Mr. D'Acquisto believes the businesses in the Tax Abatement program are not paying their fair share. Administrator Brook stated that the alternative would have been, in all likelihood, they would not have come to Florence Township. He feels it is worth it for the long-term benefit to the community.

Mr. Fratinardo stated that Greenbriar is a \$50M dollar development, paying their fair share in taxes. They gave the township fields for the community. He feels Greenbriar is a good tax ratable because there is no burden on the schools. Administrator Brook explained that Greenbriar did not provide the property; it was the developer who purchased the 40 acres so that property would remain green space in perpetuity for everyone in the community to enjoy. Mr. Fratinardo stated that the developer also purchased the gazebo in Roebing. He feels the purchase of the 40 acres and the gazebo impacted the prices of houses in the development and increased their taxes. Administrator Brook disagrees that the developer's purchase of the 40 acres and the gazebo impacting the cost of the homes and caused the homeowners in Greenbriar to pay more in taxes; it does not work that way. He would like to meet with Mr. Fratinardo to see how he came to that conclusion.

Council Vice President O'Hara believes that a lot of the confusion would be cleared up if the residents came in and met with Administrator Brook and Mr. Bianchini. Mr. Fratinardo chooses not to meet.

Bill Bott, 64 Riverbank Drive, has been watching the news on the state of the economy and the President of the United States has stated that the value of homes all over the United States is "in the tank." He does not feel a reassessment could be done at this time when the value of the homes has gone down.

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Mr. Bott stated that he hears from the residents all through town that Florence Township needs ratables. If the Tax Abatement Program was not in place the business would not come here and the homeowners' taxes would be higher. He agrees with the township offering incentives such as the Tax Abatement Program to bring commercial businesses to the township.

Council Member Ryan stated that no one on this governing body or the administrative staff has a crystal ball. Therefore, no one could have seen the situation with the housing market coming. Values of homes were at their peak in 2005 – 2006, now the values have plummeted. That is partially why the decision was made to put off the reassessment for a year.

Mr. Fratinardo stated that when a new home goes on the tax book it goes on at the time of purchase. When it is sold it is still going to have the same tax rate. That is why a reassessment is so important. Just like the values have dropped, the value in Greenbriar's development has dropped. He feels that the homeowners in Greenbriar are not being treated equitable because they feel they are paying more than the value of the house. A reassessment would have the homeowner's paying an equitable share of the taxes.

All residents having an opportunity to be heard, MOTION by O'Hara; seconded by Sandusky to close the public portion of the meeting. All ayes - motion carried.

**RYAN HOMES – LEGACY: COAH**

Administrator Brook introduced Lee Panfili from Ryan Homes. Administrator Brook noted that Council was briefed in a memo on the issues that Ryan Homes is facing.

Mr. Panfili stated that he has been working with Administrator Brook on a problem with COAH placement at Legacy Meadowcroft Development. The problem began with the housing marketing and more recently the bigger problem is the lending institutions. Ryan Homes was assigned a total of 17 COAH units based; nine moderate-income housing and eight low-income housing. Mr. Panfili has been working with HAS and actively marketing the units for 21 months. In those 21 months they have had seven qualified applicants; out of the seven, four have made settlement and moved in, two are currently under contract for a four unit building that has not been built. Once there has been a commitment on three units they will begin construction.

The reason it is so important for Ryan Homes to come before Council is because Ryan Homes works on lot options; they do not own the actual land, they have not provided the infrastructure or posted the bonds. Ryan Homes has a contractual obligation to buy a certain number of lots in a certain amount of time. He stated that this job has been "broken" for a while but Ryan Homes continues to trudge ahead to try to complete the development because it is the right thing to do. They hope to see a turn around in the near future. They are so far into the job, they do not want to walk away.

Ryan Homes contractual agreement to purchase more town home lots has come to term where they have to buy another nine unit building. He does not feel it is in the township's best interest to build vacant homes and let them sit.

Mr. Panfili explained that lending institutions will no longer lend to a low income group of people. Coupled with an active adult community and add in the home association fees, there is no market whatsoever for low income. Mr. Panfili has been working with Administrator Brook on different ideas such as advertising through the township resources and has come up with nothing. The most

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current idea, and the reason Mr. Panfili is here this evening, has to do with the Fair Housing Act where they allow, in a 55+ community, up to 15% of the affordable homes to be filled with applicants of age 50+, as long as they have no children under the age of 18. Mr. Panfili stated that since the township's Resolution states that it is a 55 or better community, he cannot arbitrarily change the home owner documents to bring in 50+ applicants for the affordable housing components. Ryan Homes would need something in writing from Florence Township. Mr. Panfili stated that they would not be able to market to 50+, they would still have to market to 55+ but if someone comes in between the age of 50 and 55 and fits the qualifications, they could sell and move them in to an affordable unit.

Mr. Panfili stated that financing is not available for low income but there is some financing available for the moderate-income customer. He explained that they would have to go in front of the COAH Coalition and request that they allow them to take the low-income homes and place moderate income qualified applicants in the low income homes with the stipulation that when the market comes back and those applicants go to sell the home they can only sell it at a low income price. The township would not lose any credits. This would help occupy the units. Administrator Brook explained that Ryan Homes has to go before COAH to seek a waiver but COAH is going to look to the township and Ryan Homes for backup on communications with the municipality, how many people have been certified and how many could not be certified. Administrator Brook stated by doing this Florence Township retains the credits.

Council Members are in agreement to support the two (2) revisions Mr. Panfili requested. Administrator Brook will put in writing.

Mr. Panfili thanked the Mayor and Council.

Council Member Garganio asked what is being done with the berm? Mr. Panfili explained that Ryan Homes purchased the infrastructure completed. He has been in contact with the developer and advised them that there is still an open issue with the height of the berm. He will keep in contact with the developer to get the problem rectified.

**COAH**

Administrator Brook explained that the township needs to begin drafting an Ordinance for COAH that deals with fees. Some questions have arisen on optional clauses that he needs Council's opinion on.

1. If a resident seeks to increase the density of their home by making it an apartment, COAH will come to Florence Township saying that the municipality now has a COAH obligation. He asked if Council wants the Ordinance to reflect that the COAH obligation is the responsibility of the party that received the approval. Council Members do want the Ordinance to reflect that the COAH obligation is the responsibility of the party that received the approval.
2. If a home is demolished and rebuilt, COAH will charge the municipality with one quarter of a unit growth share. Mary Beth Lonergan, COAH Planner, recommends that the municipality charge the fee to the homeowner. The homeowner would know in advance of demolition that the fee will be charged to him. Council Members are in agreement to charge the fee to the homeowner. The only exception is when the demolition is related to fire or a natural disaster.
3. Ms. Lonergan asked how the township felt on charging a fee when a homeowner builds an addition? Administrator Brook stated that it was his understanding that if a homeowner

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builds an addition the State will not mandate a COAH fee or Growth Share. Ms. Lonergan agreed that it is not mandated but the municipality could access a fee. Council Members in agreement not to charge a fee for an addition.

In regards to a home being destroyed by fire, Ms. Lonergan explained that the State does not access a growth share where a fire took place but it is the municipality's option whether they wanted to charge the homeowner. Council Members do not want to charge a COAH fee when a home is destroyed by fire.

**TOWNSHIP ENGINEER**

**Ready Pac – Performance Bond Release**

Dan Guzzi, Township Engineer, reviewed and recommends release of the Performance Bond related to the building in the back of the site conditioned on posting a Maintenance Bond. The bonds were broken down into multiple phases. A Resolution will be prepared for next week's meeting.

Council Member Ryan asked what is being done at the front of the site off Railroad Avenue? Mr. Guzzi explained that they relocated their main entrance and put in a more secured entrance. They are modifying and expanding the parking for visitors in the front of the site. They are also doing some Stormwater management improvements and landscaping as part of the beautification project to clean up the front of the building. Council Member Ryan asked if the plan included installing sidewalks? Mr. Guzzi does not believe there are plans for sidewalks on the street. There was a lot of discussion on that but there is almost no right-of-way left on Railroad Avenue; majority of it was used when the road was paved. Easements from all of the property owners would be needed to install sidewalks on Railroad Avenue. On the railroad side of the street NJ Transit allowed a graded shoulder but would not permit a sidewalk.

**1500 John Galt Way, Phase I: Performance Bond Release**

Mr. Guzzi reviewed and recommends releasing the Performance Bond conditioned on posting a Maintenance Bond. A Resolution will be prepared for next week's meeting.

**Community Center, Eagle Construction: Current Estimate No. 6**

Mr. Guzzi reviewed and recommends payment of Current Estimate No. 6. He stated that the project should be completed by the end of March. A Resolution will be prepared for next week's meeting.

**Review of Grant Projects**

**Safe Streets to Transit:** Mr. Guzzi stated that Florence Township received \$115,000 grant. The grant is to complete all of the sidewalks and infill from the Roebling School to the NJ Transit Station on both sides of Hornberger Avenue. The estimate for the work is approximately \$115,000, which makes it more or less full funding. Council President Baldorossi questioned a small piece further down on Hornberger Avenue that is missing sidewalk. Mr. Guzzi stated that it is not included in this estimate but it could be included in the project; then if the bids come in low, it could be included in the project.

**Fifth Avenue Reconstruction:** Mr. Guzzi stated that Florence Township received \$150,000 grant. He updated that cost estimate and believes that they will get good asphalt prices this spring. He explained that due to the federal stimulus money coming down that will involve a lot of paving, the

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sooner they get out to bid on a project like this the better the numbers will be. The \$150,000 is not enough to cover all of Fifth Avenue from Hornberger Avenue to Riverside Avenue; it is enough from Hornberger Avenue to Main Street, which he believes is the priority block. Council can decide whether to include the balance of the street as an alternate or include it and spend township funds. The estimate includes both sides of the island. Council Members are in agreement that Fifth Avenue from Main Street to Riverside Avenue will be included as an alternate. Administrator Brook and Mr. Guzzi will review the alternates that were not awarded last year to see if they should be included this year.

**Bike Path:** Mr. Guzzi explained that through the federal stimulus funding the County will be resurfacing the length of Old York Road. Since the township is planning the bikeway and the County is planning to resurface the road, Mr. Guzzi meet with them to see if they could work together. The County cannot expand the pavement with this grant money; it is so specific they cannot make any changes or need any permits. The County will work with the township on the striping; they can modify the travel lanes. They can shift lines so the township would not have to expand the pavement as much in order to incorporate the bike path on Old York Road.

Mr. Guzzi reviewed the options for the bike path:

1. Extend the road.
2. Create a parallel path along the road.

He does not have the answer as to which option to go because it is subject to County review and approval. The two (2) major hurdles are the telephone poles and the turnpike bridge. For the safety of the children, Council Member Garganio prefers that the bike path be off the shoulder of the road. Mr. Guzzi stated that if it was off the road with a separation, it would enable them to have one (1) bike path opposed to if the road were widened. There would be a bike path on both sides of the road. The goal is to complete the project with the \$300,000 grant money. Council Member Garganio asked if the County would be doing anything with drainage? Mr. Guzzi stated that they will not even be surveying; the job is to take a certain amount off and replace with the same amount. Council Member Garganio asked if the County could be notified of the problem areas? Mr. Guzzi will look at the area on the next rainy day and write a letter to the County.

Mr. Guzzi believes the bike path should be a separate project from the Safe Streets to Transit and Fifth Avenue project.

The contract for the bike path should be awarded by early next year.

Mr. Guzzi will begin design work and report back.

**EXPANSION OF THE RECYCLING TOTER PROGRAM**

Administrator Brook reviewed the memo from Assistant Administrator Sahol. The County is ready to begin and likes Florence Township due to its cooperation and participation in the recycling program. After reviewing the money reimbursed to the township from the State and looking at other cost factors, it was determined that the municipality would not have any out of pocket expense to be able to expand the toter program in the area Assistant Administrator Sahol highlighted on the map. Council Members are in agreement to move forward with the expansion of the toter program.

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**ENVIRONMENTAL COMMISSION: APPOINTMENTS**

Joy Weiler, Township Clerk, reported that there is a discrepancy with “at large” and “alternate commissioners”; there is also a discrepancy between State law and Florence Township’s Ordinance in setting up the Environmental Commission. She asked if Council would like the Ordinance amended to reflect State law regulations? Council would like the Ordinance amended. Solicitor Kearns will prepare amendment.

**ACTION**

**APPLICATION**

A. RAFFLE: Off Premise 50/50, Florence Township Civic Association, Inc., May 25, 2009, 6:00PM, Coates Field

It was on the MOTION of Sandusky, seconded by O’Hara to approve the above application.

**On the Question**

Nothing at this time.

Upon roll call Council voted as follows:

YEAS: O’Hara, Ryan, Sandusky, Baldorossi  
NOES: None  
ABSENT: None  
ABSTAIN: Garganio

Motion carries.

10:05 PM MOTION by Sandusky, seconded by O’Hara to adjourn to Closed Session. Action may follow Closed Session. Roll call vote - all ayes.

**ADJOURNMENT**

10:05 PM Meeting adjourned.

Respectfully submitted,

JOY M. WEILER, RMC/MMC  
Township Clerk

/mab

Note: No action taken after the Closed Session.