

April 6, 2017
Council Chambers-Borough Hall
221 South 5th Ave.
Highland Park, NJ 08904
The Highland Park Redevelopment Agency

Call to Order

The Highland Park Redevelopment Agency Meeting was called to order in accordance with the Open Public Meetings Act by Rosanne Baruh at 7:34 PM. Ms. Baruh indicated the location of the fire exits.

Roll call

Present	Mrs. Baruh, Mr. Solomon, Mr. Perlman, Ms. Levinson, Mr. de Villa, Mr. Fechter, Mr. Wong
Absent	
Agency Professionals	Mr. Cosenza, Agency Planner, Mr. Kemm, Agency Counsel
Council Liaison	Ms. Welkovits, Council Liaison

Approval of minutes of previous meetings

Mrs. Baruh said that minutes would be addressed at the next meeting.

There was a motion by Ms. Levinson seconded by Mr. Solomon to table the approval of minutes.

RESOLUTIONS

• HPRA R2017-08

Resolution of the Highland Park Redevelopment Agency Designating a Redeveloper for the Property Commonly Known as Block 173, Lots 36 and 37 on the Tax Map of the Borough of Highland Park and Authorizing the Execution of a Redeveloper's Agreement with Respect to Same

Mrs. Baruh said that the resolution will have to be tabled for tonight as Mr. Anton Popov, the redeveloper in question, is not ready yet. His counsel has advised us that they are still in the process of revising their site plan.

Mrs. Baruh clarified that this is the same project that Mr. Popov has brought before the agency in the past. Mr. Popov does have a conditional redevelopment agreement, which basically gives a firm the exclusive right to come up with a plan to develop a property. A redevelopment agreement, however, would outline the project in detail and provides for provisions such as specific requirements so that the project meets the redevelopment plan, but Mr. Popov is not there yet.

There was a motion from Mr. Solomon seconded by Mr. Perlman to table the resolution.

• HPRA R2017-09

Approval of Bills List

Mrs. Baruh said that Mr. Fechter is acting as the agency's treasurer. He will be responsible for reviewing bills and statements that come in and giving a treasurer's report during the meetings.

Mr. Fechter noted that we recently paid for last year's audit and questioned whether that expense would be charged to last year's budget or the current year's budget. Mr. Kemm responded that funds should be taken from the active budget from when the charge was incurred. Mr. Fechter said that there was enough money in this year's budget to pay for last year's audit.

Mr. Fechter reported that \$1,800 was paid for the audit and \$129 for the agency counsel's services, bringing the agency's operating balance to about \$30,355. There are some invoices for legal services that have not been paid yet that add up to about \$1,975.

Mr. Fechter said that there were also some unpaid invoices for the Popov and Tantleff projects. For the Popov project, there is \$5,655 in unpaid bills, which would deplete Mr. Popov's escrow. Mrs. Baruh asked Mr. Fechter to work with the clerk's office to send out a letter to Mr. Popov requesting more funds. Mr. Cosenza suggested asking for a larger amount of money than needed to help keep the project moving. Mrs. Baruh said that no further work can be completed on this project until there are more funds in Mr. Popov's escrow.

For the Tantleff project, the agency did a six month extension. There is a \$227 bill for Tantleff.

Mr. Fechter said that so far, there have only been about \$3,700 in legal services this year charged to the agency's operating accounts.

Mr. Solomon asked about when an applicant before the Rehabilitation Screening Committee would have to start paying bills. Mr. Cosenza said that this would have to be worked out with borough staff but that a system will be put in place.

Mr. Fechter said he would look into unpaid invoices to have them paid next meeting.

There was a motion from Ms. Levinson seconded by Mr. Solomon to table the resolution.

CHAIRPERSON AND COMMITTEE REPORTS

Mrs. Baruh said we will now start having a report from the council liaison at every meeting.

Ms. Welkovits reported that she and the Mayor recently went to a redevelopment conference where the Mayor of Philadelphia was the keynote speaker. The Mayor of Philadelphia suggested working with nearby communities and agencies. Ms. Welkovits said she had the chance to speak with the person who created the seating in Broadway. He suggested listening to what the people want to create successful development.

Ms. Welkovits reported that the borough was recently awarded a grant from Safe Routes to School for \$216,000 that will be used to increase walkability around schools. Ms. Welkovits said that Rutgers was awarded a \$1.1 grant to create a bike share program that will extend into

Highland Park. Rutgers will soon be going out to bid and expect the program to start in Spring of 2018. Many details of the program are still being worked out such as location of bike hubs.

Mrs. Baruh said that the agency has long discussed making the entire borough an area in need of rehabilitation. There are currently areas of redevelopment spread out throughout the borough, but designating the entire borough an area in need of rehabilitation, which is a slightly lesser standard, would allow developers to operate under a single set of rules, regardless of whether or not their property is entirely in one area or the other. The borough council passed an ordinance designating the entire borough an area in need of redevelopment.

Mrs. Baruh explained that the Rehabilitation Screening Committee was created to manage the area in need of rehabilitation. The committee is comprised of two members from the planning board, zoning board, redevelopment agency, and main street as well as the borough planner and council liaison.

Mrs. Baruh said that during the first meeting of the Rehabilitation Screening Committee, applications were heard from the Popov project and Verona Expressions. The Popov project is in the area in need of redevelopment, the other is not and is therefore in the area in need of rehabilitation.

Mrs. Baruh asked Mr. Cosenza to talk about the new committee. Mr. Cosenza said that the planning board suggested four conditions for the area in need of rehabilitation.

The first is a description of the mechanism used by the Rehabilitation Screening Committee. The second was to allow for significant public input. The third was to make sure escrow was being provided. The fourth was that this would not add any additional restrictions to residential homeowners.

Mr. Cosenza explained that the goal of the Rehabilitation Screening Committee is to provide proactive assistance to applicants that will facilitate the process for them. The committee is advisory only and will not take away powers from any of the groups represented in it. Hopefully, the committee will help increase consistency between the groups represented in it and allow applicants to understand obstacles they will likely face when their project goes before one of the groups.

Mr. Cosenza said the committee will give input to applicants, but will not design their projects for them. None of the groups represented in the committee will be bound by the suggestions of the committee. Giving early guidance at the committee meetings will help ensure that applicants are not wasting money on proposals that are unlikely to be approved.

Mr. Cosenza said that applicants that want to go before the committee should speak with Jennifer Santiago to schedule a date. Others can recommend an applicant go before the committee, but scheduling will be handled by borough staff.

Mr. Cosenza said that borough staff will send out notes from the committee meetings to the members of the committee so that they can share with their groups.

Mrs. Baruh said that Mr. Popov's focus was previously on the inside of the building, not the outside. The committee gave him a number of suggestions to improve his plan. Mrs. Baruh said that what is currently being proposed is now consistent with the look and feel of how the agency would like the borough to be. For example, Mr. Popov's design now has a flat roof. The sign boards, building materials, and scale of the windows were addressed by the borough planner. Mrs. Baruh said we have already seen the positive impact of the committee through the improvement of Mr. Popov's proposal.

Mr. Cosenza said that the role of the planners or the committee is not to design buildings for people but to fine tune the applicant's proposal to account for the concerns of the different groups represented by the committee. The committee wants to give applicants two options that are indicative of what the consensus was. Mr. Popov can pick one of the designs, but he does not have to.

Mr. Cosenza said that the property is not parallel to Raritan Ave. Mr. Cosenza said that during the meeting, Borough Planner Jim Constantine noted some drainage issues. From that, the committee suggested he consider a rain garden. Mr. Popov does not need to do this if he does not want to.

Mrs. Baruh noted that the financial review for the Popov project has not yet been done. The developer is required to show the agency that he or she can, in fact, complete the project as proposed. Mr. Cosenza said that he and Mr. Constantine suggested putting brick in the front of the building and switching to something cheaper for the rest of the building.

Mrs. Baruh asked everyone to remember that the redevelopment plan allows the agency to be very specific in its requirements regarding the building.

Mr. Baruh said that Mr. Popov has been told that his building will not be built unless the agency believed it is adding to the borough's downtown. Mr. Solomon said that Mr. Constantine's vision for Highland Park is very similar to his own.

Mr. Cosenza said that regardless of the uses and site plans, the design was not ready. That is why the committee gave him suggestions. Mr. Popov's architect and attorney are new to this process.

Mrs. Baruh said that Mr. Popov has started to work on the property and has been working with the borough's code enforcement office. Mrs. Baruh said that she had told Mr. Popov he should be careful to get all the required permits before performing any work. There are issues at this property because it is not on flat land. The agency must get on top of the finances for the Popov project to make sure that the project will be completed.

Mrs. Baruh said that whether or not there will need to be a bond will have to be discussed with counsel. Mr. Kemm said that normally a bond is not needed because the bond for an entire building is very expensive. Bonding is usually limited to what is required by municipal land use laws such as public improvement tasks like storm water systems.

Mr. Perlman said that he was concerned that the screening committee would not save applicants time because they would go before the screening committee where only two people from the agency would be represented, then would hear something else from the other commissioners.

Mr. Cosenza explained that the Popov situation is different because he had already gone before the agency when the committee was established. In the future, applicants would have the option to go to the committee before being heard by any of the groups represented in it. Mr. Cosenza says that in his experience from other municipalities, the committee saves applicants time and helps build consensus between the groups represented in it.

Mr. Cosenza said that the applications reviewed by the committee are conceptual but that the applicants should be ready to show a site plan when they go before their respective agency or board.

Mr. Kemm said that the committee is useful because it allows people to see what is feasible and what is not before they go before their respective agency or board. Mr. Solomon said the committee will help prevent a situation where the agency spends a large amount of time with a project just for it to be turned down by one of the boards.

Mr. Perlman said he enjoys tweaking designs and doesn't want the committee to take that away from the agency's commissioners. Mrs. Baruh said that she believes that will not happen and that when the agency sees proposals, they will come in much better shape than the ones that do not go before the committee.

Mrs. Baruh said that the committee quickly helped the design for Verona's Expression because it was immediately clear that the design was not ready to go before any of the groups represented in the committee. Mrs. Baruh said she was excited to have the borough planners accessible to applicants.

Mrs. Baruh said the Popov sketch will now go to Mr. Popov, who will decide if he is willing to use the design. Mrs. Baruh said that it will be very important for the commissioners to read the redeveloper's agreement once it is ready, because that is the agency's opportunity to tell the developer how to build his building.

Mr. Cosenza said that in other municipalities, he has seen the committee be so successful that people ask to come before it even when they do not necessarily have to because they think it will make the process easier for them.

Mrs. Baruh reminded the agency that they recently applied for three Hazardous Discharge Site Remediation Fund grants for three properties in the Tantleff project that have appeared on a list of contaminated sites. The grants would pay for site investigation at the locations, which would help Ms. Tantleff purchase the properties for the right amount. Mrs. Baruh asked Ms. Denise Nickel to talk about the grants.

Ms. Nickel said that the grants were for around \$50,000 each. The grant goes through the Office of Brownfields Reuse where it is reviewed technically before it is forwarded to the New Jersey

Economic Development Authority, which manages the funds for this grant. Ms. Nickel said there is not a clear process list for the grants, so she went over the process.

Ms. Nickel said that the first step is to submit the HDSRF application to the New Jersey Department of Environmental Protection. The HDSRF Coordinator then reviews the application for proper scope of work and cost estimates, resolution for redevelopment, and that the site is a brownfield. The application is then deemed technically and administratively complete. The application is then sent to the EDA with a recommendation for funding.

Ms. Nickel said that at that point, the municipality is asked for a \$500 fee per application. The fee should be sent to Kathy Junghans of the EDA, Credit Underwriting Division. After receipt of the fee, the Credit Underwriting Division reviews the application and recommends approval to EDA management.

Ms. Nickel said that because all of the applications are under \$100,000, the application will be approved and does not need EDA Board approval. The CD will then send an approval letter to the EDA Closing Services Department. At that point, the applicant will receive a grant agreement packet. The applicant signs and returns the approval letter.

Ms. Nickel said that three hard copies of Closing Documents must be returned to Closing Services and include a signed contract with a Licensed Site Remediation Professional and a resolution accepting the grant. Upon receipt of these documents, the grant is closed and the applicant received the funds.

Ms. Nickel said that Highland Park's application has been sent to the EDA and that the agency will soon be asked to pay the \$500 fee for each application. Ms. Nickel recommended hiring an LSRP now, as it could be done at any time. Mr. Solomon pointed out that the funds will be received by the agency because it is the applicant, so the agency will hire the LSRP once it has the money.

Mrs. Baruh said the most important thing currently is to pay the three \$500 fees once asked to by the EDA. Mrs. Baruh said that the agency counsel has confirmed that the payments have been authorized and the check should be written next week.

Mr. de Villa asked what would happen if the grant funds were to be insufficient. Ms. Welkovits said that the amounts were decided on by the LSRP and should be an accurate estimate. Ms. Nickel said that if the agency needs more money to complete the site investigation, it would apply for additional funds.

Mrs. Baruh said that Ms. Tantleff has been told that the grants are progressing. Mrs. Baruh said that the agency's counsel believes it makes sense to approach the property owners only after it has the funds.

Mr. Solomon noted that it was possible that one of the owners would not want us going on their property but that the board would discuss that situation if it were to arise.

Ms. Nickel said that best case scenario, the funds could be dispersed in six to eight weeks.

Public Comment

With no public comment, it was moved by Mr. de Villa and seconded by Ms. Levinson with voice vote the meeting was adjourned at 8:40 pm.

Respectfully Submitted,

Dan Bianchini

Dan Bianchini
Agency Clerk