

NOVEMBER 3, 2016
Council Chambers-Borough Hall
221 South 5th Ave.
Highland Park, NJ 08904
The Highland Park Redevelopment Agency
Board of Commissioners Regular Meeting

Call to Order

The Regular Meeting of the Highland Park Redevelopment Agency was called to order in accordance with the Open Public Meetings Act by Chairperson Baruh at 7:31pm Mrs. Baruh indicated the location of the fire exits.

Roll Call

Present	Mrs. Baruh, , Mr. Perlman, Ms. Levinson, Mr. Solomon arrived at 7:36 pm, Mr. de Villa arrived at 7:51 pm, Mr. Fechter
Absent	Ms. McDonald, Mr. Phil George, Council Liaison and Mr. Baumann, Agency Counsel
Agency Professionals	Mr. Baumann, Agency Counsel
Council Liaison	Mr. Phil George, Council Liaison

Approval of minutes of previous meetings

October 6, 2016

Mrs. Baruh indicated that the October 6, 2016 minutes would be tabled until the next meeting.

Hearing of New Agenda Items

HPRA R2016-11 Bills List

Mrs. Baruh indicated that the Bills List needed further review and would be carried until the next meeting.

Chairperson and Committee Reports

--Popov project

Mrs. Baruh asked Mr. Perlman if there was an update on the Popov project.

Mr. Perlman said that he did not have an update, he forwarded the e-mail to Mr. Baumann. He said at this point it was up to Anton Popov to reach out to move things along. He said that the subcommittee has done their work and at this point have nothing more to report.

Mrs. Baruh said that she can report that one of the issues may be that the escrow on that particular project is in the negative.

--Tantleff project

Mrs. Baruh said that the Tantleff project, some of the properties are thought to be contaminated and those properties require inquiry into that situation. The following lots are thought to be contaminated within Block 173, Lots 42-46, these properties are the dry cleaner, the two (2) properties behind the dry cleaner, the triangle of land that is next to the dry cleaner which is basically the parking lot and the gun shop. There are at least three (3) owners involved with these properties. The two small wooded lots in the back have one owner, the dry cleaner

property and the triangle property is also owned by the dry cleaner and the gun shop is yet another owner.

Mr. Fechter said he needed to clarify that the dry cleaner site was a designated site and they were on a State list, there was supposed to be a site investigation.

Mrs. Baruh said that the other properties are contiguous properties, and we know that lot 47 found some evidence of contamination that seemed to have come from next door and that is why there is concern that the contamination has moved from the dry cleaner property and into these neighboring properties.

Mr. Solomon indicated that Ron de Villa called and indicated that he was stuck in traffic and would be here as soon as possible. Mrs. Baruh said thank you.

Mrs. Baruh said that also the County has offered to help with the filing of the grant to obtain monies from the State to support the inquiry into these properties, we working with Denise Nickel of Middlesex County and there has been correspondence going back and forth from Ms. Nickel. Ms. Nickel has been working with someone to try and get a handle on the timing and cost of these things and she is preparing the grant.

Ms. Levinson asked if there was a deadline for when the grant needs to be submitted. Mrs. Baruh indicated that there was not a filing deadline, this is on a rolling bases and submitted once all the pieces are put together. She said that the Agency did adopt the necessary Resolution. She said that the application is submitted, there is a couple months for the notice, a couple of months for the documentation request, and anticipates that it will take about 6 months for this to go anywhere. She said that one of the challenges is it takes some time to get people to focus.

Mr. Fechter asked if there was a licensed site remediation plan that the dry cleaner has. Mrs. Baruh said yes, they will need to coordinate with the dry cleaner's LSRP and coordinate with all of the owners because we need to enter the property.

Mr. Perlman said that there was a cash offer on the vacant parcels and asked if anyone knew if that sale had taken place.

Mrs. Baruh said yes and the owner is present this evening.

She said generally speaking, when the property is purchased part of the due diligence is to ensure that the property does not have any problems, whether environmental contamination, wild animals, whatever the case may be, so certainly for any developer to purchase any land this is something that is a first step. She said that they want to make sure that all of the lots that are of interest to a developer are clean and appropriate.

--Borough Square project

Mrs. Baruh said that several meetings were held including the Main Street support team and the issue is to obtain site control. Site control has multiple steps, due diligence about the property, appraisal of the property, if a municipality is interested it is also the matter of getting the funding or if a developer need to obtain the funding as well. She said that they are at the beginning of

that process. She said that it is her understanding that the Borough is willing to get the appraisal in development area and see what that would be worth, she noted that one of the properties within Borough Square area is involved in rehabilitation of the property, she met with the Mayor and the head of the Construction office to see how does it works if someone comes in to seek a permit to do construction in a property that is in redevelopment and we would expect the property owner would do due diligence and know that the property is in redevelopment but because this property owner is only seeking to renovate inside of the property and there is nothing going on, on the outside of the property that would be subject to the redevelopment plan nothing subject to the redevelopment plan. For example, if the redevelopment plan required that everything be painted blue and they were planning to paint the outside they would have to come to the Redevelopment Agency. She said that she did ask the Construction office to alert the Agency next time when someone comes in to make improvements and they are in the redevelopment area

Mr. Fechter asked when the bonding authority increased. Mrs. Baruh said that the bonding authority will be addressed after January 1st.

Mr. Solomon asked if part of that was to do acquisitions. Mrs. Baruh said that was correct.

Mr. Solomon asked how that worked. Mrs. Baruh said this is how she understands the process, first step is to get appraisals, the Borough has appraisal authority and the cost is approximately \$2,000 plus or minus. The Borough would get an appraisal and then make an offer based on the appraisal. Right now the anticipation is that the bonding authority would be with the Borough and the Borough would acquire the property. The Borough Council would authorize the acquisition.

Mr. Perlman asked if the purchase would be on a parcel by parcel basis. Mrs. Baruh said that she did not know.

Mr. Fechter said that he thought there was a conditional offer on multiple parcels. Mrs. Baruh said that they know that a developer normally operates in that manner, but the Borough can just buy it outright, hold it and see what happens.

Mr. Solomon said that the developer apparently on those parcels made a conditional offer but does not think that monies were exchanged it was basically like sign this contract and you agree to not sell to anyone else for a year or two years and if I get everyone else to sign on you will then get X amount of dollars.

Mrs. Baruh said that she has not heard of any other activity with any of the other redevelopment areas.

--Other Borough Initiatives

Mrs. Baruh indicated that she did ask the Council Liaison Phil George for an update on where we were on the area in need of rehabilitation, we know that it went to the Planning Board. She said that it is her understanding that this designation covers the entire Borough.

Mr. Solomon indicated that the Agency's jobs may be changing quite a bit. Mrs. Baruh agreed.

Mrs. Baruh said that there may be people contemplating projects and are awaiting this to go through. She said that this will give people opportunities that they would have otherwise.

Mr. Solomon said that this is going to pose an issue for us to have sufficient, effective government here because for everything that happens we and the Planning Board have to vote yes.

Mrs. Baruh said that there is an expectation that a subcommittee will be set up that will consist of members of both the Redevelopment Agency and the Planning Board in order to create the efficiencies that Mr. Solomon was just referring to. Projects that are in this area in need of rehabilitation, which would be every project now, would go to this committee just like we would operate through a subcommittee, it would operate through this joint subcommittee in order to hammer out the tough issues, so before it goes to each of the Boards it would be in a "yes" condition. She said that there is an expectation that the Resolution that is going to be adopted by the Borough Council will provide for the creation of this subcommittee.

Mr. Solomon asked if there was any sense on the volume of cases that come through. Mrs. Baruh said no because the truth of the matter she does not know if this actually will change all that much.

Mr. Solomon asked Ms. Santiago roughly how many applications are seen by the Planning Board. Ms. Santiago said there has not been many.

Mrs. Baruh noted that this did not apply to single family homes, so what the Planning Board traditionally sees are additions to houses and that would not be affected by this designation.

Mr. Perlman said that a site plan would be affected by the designation. Mrs. Baruh said a significant site plan and she was not even sure a multi-family house would be affected.

Mr. Solomon said that he believes that once it exceeds four (4) units it is considered commercial.

Mrs. Baruh said that near her on Cedar there are a lot of two family houses and the reason it is Borough wide is that we do have commercial properties scattered all over the town and it was considered that this would be the best approach was to say the Borough as a whole, it is not a particularly innovative approach many other municipalities have done this.

Mr. Perlman asked if there was any intention to change the zoning at all. Mrs. Baruh said no the zoning would stay as it is.

Mr. Solomon asked if there was going to be a new redevelopment plan and if not we may want to consider at some point is creating a new redevelopment plan that covers the entire central business district. He said that they went through the existing plan and streamlined it making it simpler and a big part of what they wanted to do is take away the block and lot specific guidelines and redrawing the line and could be a fairly efficient process to do that.

Mr. Perlman said that the key now is to get the Resolution and get the area in need of rehabilitation adopted by Council. Mr. Solomon agreed.

Mr. Fechter asked about Buck Woods. Mrs. Baruh said that she has not seen anything.

Mr. Solomon indicated that the Borough has been in litigation with the property owner for 20 years or so and a big part of the litigation is that the property owner arguing for more density and essentially a specific site plan that he wants and the Borough wants a different site plan and is sure that the negotiations have been centered around setting out site plans on tables and such.

Mrs. Baruh said currently that property is not under the jurisdiction of this Agency.

Public Comment:

Mrs. Baruh open the floor for public comment, seeing no one the public portion was closed.

Johnathan Lerner, 228 Magnolia Street, said he had two (2) questions, it was mentioned the properties that were possibly contaminated and asked if there were more than that within the redevelopment area. He said that it was mentioned that the properties that were adjacent to the dry cleaners but are the corner gas stations also contaminated properties as well. He said you are basically talking from First Avenue to almost Second Avenue that frontage is also contaminated property.

Mrs. Baruh referenced the NJDEP report and indicated that it was about a year ago and on Raritan Avenue there are properties listed and whether they have contamination, LSRP oversight, etc. She said that Ubry's completed whatever they needed to do.

Mr. Solomon said that if they completed their remediation and received a letter of no further action which means you are absolved from the NJDEP.

Mr. Lerner asked about the gas station because they had leaking gas tanks some time ago. Mrs. Baruh said that they may have taken care of that, but was not positive. She said that they do know that the situation at the dry cleaners has not been taken care of.

Mr. Lerner asked about the Sunoco station. Mr. Solomon indicated that site was fully remediated prior to the 7-11 going forward.

Mr. Lerner asked if any other potential developers and identified themselves in being interested in the Borough Square project. Mrs. Baruh said that they had one developer come forward. Mr. Lerner asked who that developer was. Mrs. Baruh indicated that they have not yet been deemed a conditional redeveloper so she was not sure that she was permitted to release that information at this time. She said that she would try to find out if that is permitted and asked Mr. Lerner to attend the next meeting.

Mr. Lerner said that he asks because he has seen people very well dressed taking pictures and walking around that area.

Mrs. Baruh said what she can say and what Mr. Lerner has seen was the Agency has reached out to the State of New Jersey, Local Planning Services with the NJ DCA and they offer their

services free to municipalities that are looking to do something. They come in and talk with the town and that may be what Mr. Lerner saw. She said that as far as she knows they were the only ones who walked around and looked at the Borough Square area. She said that at the meeting the State indicated that until there is site control there is nothing much they could do.

There being no further public comments, public discussion was closed.

Hearing of New Agenda Items:

Mrs. Baruh said that everyone received a copy of the Financial Statements year ending December 31, 2015 and recommended everyone take it home, read it and it will be addressed at the next meeting.

Mrs. Baruh said that budget for the year was \$30,300.00. She said that she is in conversations with Hodulik and Morrison and they require various pieces of support in order to issue these reports, including reports relating to internal controls and she has spoken to them on several occasions basically saying that the internal controls are exercised by the Borough itself and not by the agency and therefore need to get the Borough to certify to that.

Mrs. Baruh said that she will ask them to give the Agency a walk thru of the audit at the next meeting and she will also find out if she can release the name of the interested but not appointed developer.

Mr. Lerner said with regards to this unidentified developer it appears as though someone in the municipal government possibly or someone who has access to know who that is, has been sharing the name of that person with some local people and local interests are already pitching ideas to this developer and that is why he thought it would be of interest to have a better know of who this person is. Mrs. Baruh said that she understood.

Action on any other business: None

It was moved by Mr. de Villa and seconded by Ms. Levinson with voice vote the meeting was adjourned at 8:08 p.m.

Respectfully Submitted,

Jennifer Santiago

Jennifer Santiago
Agency Clerk