

**REGULAR MEETING
MAYOR AND CITY COUNCIL
March 10, 2016**

Meeting called to order at 7:00 p.m. by President Tapp with a salute to the flag.

Roll call was recorded as follows:

Present: D'Adamo, Gerety, McGuigan, Smith, Toto & Tapp
Also Present: Mayor Glasser, Administrator Swain, Atty. Franklin & Deputy Clerk Samuelsen

Absent: Dill

Open Public Meetings Act

Pursuant to the Open Public Meetings Act, adequate notice of this meeting has been provided. Agenda for this meeting has been provided to two local newspapers and posted in the City Clerk's Office

Communications

None

Mayor's Report

Mayor Glasser shared a letter that commended Somers Point Police Officer Joseph Scioli, Detective Robert Gray, and K-9 Officer Richard Dill for removing a four-year girl during a drug investigation from her birth parents who was living in a horrible environment. Mayor Glasser proudly stated that Somers Point was named the second most charming beach town in the State.

Administrator's Report

None

Committee Reports

City Councilman D'Adamo reported that he met with School Superintendent and mentioned that the school board has submitted to the State a referendum regarding maintenance of the air/heating systems. The Superintendent also mentioned that an invitation will be forwarded to the Governing Body for Dignitary Day. Councilman D'Adamo encouraged everyone to visit the school's website and peruse a new program focusing on hands on experience to solve world problems using curriculums of science, engineering, technology and mathematics.

City Councilman Toto reported that the Recreation Commission dinner meeting will be March 18, at 6:30 p.m. at Sandi Pointe.

City Councilman McGuigan indicated that the Green Team is discussing an idea to solicit landscapers to a friendly completion at the four corners of MacArthur Boulevard.

City Councilman Gerety stated that EDAC is exploring improving their website.

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Minutes

M/S – D’Adamo/Gerety

Minutes of the regular meeting of February 25, 2016 and Budget Work Session of February 25, 2016 and Executive Session of November 12, 2015 as to content only, and Executive Session of February 25, 2016 as to content only were approved by a unanimous vote of those present with an abstention from Councilman Toto regarding the Executive Session November 12, 2015 minutes.

ORDINANCES

Ordinance No. 2 – First Reading

M/S – McGuigan/D’Adamo

Councilman McGuigan shared that he sees a bright future and looks forward to the ordinance passing. Councilman D’Adamo

No. 2 of 2016

AN ORDINANCE AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A FINANCIAL AGREEMENT BETWEEN THE CITY OF SOMERS POINT AND BAYVIEW COURT URBAN RENEWAL ENTITY, LLC GRANTING A LONG TERM FIFTEEN YEAR TAX EXEMPTION AND FIFTEEN YEAR CAPITAL CONTRIBUTION TO PROVIDE FOR REDEVELOPMENT OF THE GATES PROJECT REDEVELOPMENT AREA IN COMPLIANCE WITH THE APPROVED REDEVELOPMENT PLAN

Proposed by: Councilmen McGuigan and D’Adamo

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. as amended and supplemented (the “Redevelopment Law”) provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, in order to stimulate redevelopment, the City Council for the City of Somers Point (the “City”) adopted Resolution No. 182-2014 on October 23, 2014 designating certain properties in the City known as the “Gates Project Redevelopment Area” as a Redevelopment Area in accordance with the Redevelopment Law; and

WHEREAS, the “Gates Project Redevelopment Area” includes those parcels designated on the Somers Point Tax Map as Block 1114, Lots 3, 4.01, 4.02, 4.03 and 4.04, having a current street address of 555 Shore Road containing approximately 5.7 acres, and a total of 202 residential units in five (5) 3-story apartment buildings (the “Property”); and

WHEREAS, a Redevelopment Plan was prepared by Leah Furey Bruder, AICP, PP #585100 of Bach Associates dated January, 2015; and

WHEREAS, on February 4, 2015 following a public hearing held by that Board and a determination that the Redevelopment Plan is consistent with the overall intent of the City’s Master Plan the Redevelopment Plan was recommended to City Council by the Somers Point Planning Board; and

WHEREAS, by enactment of Ordinance No. 5-2015, following a public hearing thereon, the City adopted a Redevelopment Plan on February 26, 2015 (the “Redevelopment Plan”) for the Property, which Plan is on file in the office of the City Clerk; and

WHEREAS, on January 25, 2016, Bayview Court Urban Renewal, LLC having its principal office at 30 Washington Avenue, Suite A, Haddonfield, NJ 08033 was approved as an Urban Renewal Entity by the New Jersey Department of Community Affairs and is qualified to do business under the provisions of the Long Term Tax Exemption Law, as amended and supplemented (N.J.S.A. 40A:20-1 et. seq.) (The “LTTE”),

WHEREAS, on February 25, 2016, by passage of City of Somers Point Resolution No. 61-2016, the City Council designated **BAYVIEW COURT URBAN RENEWAL ENTITY, LLC** as the Redeveloper for the Property (“Redeveloper”) and authorized the execution of a Redevelopment Agreement with the Redeveloper (the “Redevelopment Agreement”); and

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WHEREAS, pursuant to the Redevelopment Agreement, Redeveloper agrees to substantially renovate, reconstruct, redevelop, upgrade and re-establish the existing 202 residential units located on the Property previously known as “The Gates”, together with upgrades to the common areas including a renovated swimming pool, additional landscaping and related improvements in compliance with the Redevelopment Plan and the terms and conditions of the Redevelopment Agreement (the “Urban Renewal Project”); and

WHEREAS, the Urban Renewal Project will be re-branded as “Bayview Court”; and

WHEREAS, Redeveloper has submitted an application to have a Long Term Tax Exemption granted for the Urban Renewal Project for a term of fifteen (15) years which is within the thirty (30) year term authorized by the LTTE, a copy of which application is on file in the Office of the Somers Point City Clerk; and

WHEREAS, the provisions of the LTTE authorize the City to accept, in lieu of real estate property taxes, an annual service charge paid by the Entity to the City which, as required by N.J.S.A. 40A:20-12(b) shall be not less than the total real estate taxes paid on the Property during 2015 (the “ASC”); and

WHEREAS, Redeveloper, in order to undertake the scope of work required by the Redevelopment Plan has requested a capital grant from the City to be paid in sixty (60) equal quarterly installments of \$26,333.25 which is equal to \$105,333.00 per year, commencing within forty-five days following receipt by the City of the first payment by Redeveloper of the 2017 ASC; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8. f., upon a finding that the Project would not be undertaken in its intended scope without the provision of financial assistance, a municipality is authorized to provide for capital grants to redevelopers as part of an arrangement or contract; and

WHEREAS, the City believes that the Long Term Tax Exemption and Capital Contribution pursuant to the draft Long Term Tax Exemption Capital Contribution Financial Agreement (the “Financial Agreement”) attached hereto and incorporated herein as **Exhibit “A”** is necessary in order to enhance the economic viability and ensure the successful completion of the Project, affords maximum redevelopment of the Property and is, therefore, in the best interest of the City and the health, safety, morals and welfare of its residents, will renew and revitalize the Redevelopment Area, and will prevent further decline in the condition and value of the Property, thereby enhancing the long-term value of the Property and of surrounding properties to the City without increasing the level of municipal services provided to the Property; and

WHEREAS, despite the Entity’s substantial investment of equity and borrowed funds, such amounts will be insufficient to pay for all of the costs associated with the redevelopment and construction of the Project as required by the Redevelopment Plan; and

WHEREAS, the redevelopment of the Property would not occur without the incentive of the long term tax exemption and the capital contribution; and

WHEREAS, Redeveloper has agreed to undertake the completion of the Urban Renewal Project as more fully described in the Redevelopment Agreement, which Urban Renewal Project is to be owned by the Redeveloper, and the City agrees that if the Urban Renewal Project is undertaken and Completion as contemplated by the Redevelopment Agreement has occurred, the goals established in the Redevelopment Plan for the Property will be satisfied; and

WHEREAS, the Project will conform to all applicable municipal ordinances, state and federal laws, rules and regulations, and will be in conformance with the master plan of the City; and

WHEREAS, the City shall serve as the Redevelopment Agency; and

WHEREAS, the Financial Agreement is a material inducement to the Redeveloper to undertake the Project and facilitate the redevelopment of the Property; and

WHEREAS, the benefits from the Project are expected to substantially outweigh any costs to the City associated with the long term tax exemption and capital contribution and is in accordance with the provisions of the Redevelopment Law, the LTTE, the Redevelopment Agreement and the Redevelopment Plan;

NOW, THEREFORE, IT IS HEREBY ORDAINED, by the City Council of the City of Somers Point;

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- 1) The Recital clauses are incorporated by reference as if set forth in full.
- 2) An exemption from taxation as set forth in the Application is hereby granted to the Redeveloper, with respect to the Project on the Project Site for the term set forth in the Financial Agreement; provided that the exemption shall remain in effect only so long as the Entity remains subject to and complies with the terms and conditions of the Redeveloper Agreement, the Financial Agreement and the LTTE Law and the obligation to complete construction of the improvements required by the Redevelopment Plan and the Redevelopment Agreement; and provided, further that, as required by N.J.S.A. 40A:20-12 (b), in no event shall the Annual Service Charge be less than the amount of the total taxes levied against all real property in the area covered by the project in the last full tax year in which the area was subject to taxation and, as provided in the Financial Agreement shall be an amount equal to ten percent (10%) of the Gross Revenue if greater than the taxes levied during 2015.
- 3) The Redeveloper's annual allowable profit rate shall be limited to twelve percent per annum with any excess profit being paid to the City within 90 days of the close of each fiscal year, in accordance with the provisions of N.J.S.A. 40A:20-15.
- 4) As required by N.J.S.A. 40:20-12 each municipality which enters into a financial agreement on or after the effective date of P.L.2003, c.125 (C.40A:12A-4.1 et al.) shall remit 5 percent of the Annual Service Charge to Atlantic County.
- 5) The Capital Contribution shall be paid to Redeveloper in the manner described in the Financial Agreement and subject to Redeveloper's compliance with the terms and conditions of the Financial Agreement, the Redevelopment Agreement and the Redevelopment Plan.
- 6) The Redeveloper shall, in the operation of the Project, comply with all laws so that no person of race, religious principles, color, national origin or ancestry will be subject to discrimination.
- 7) The Redeveloper and the Project shall conform with all Federal and State law and ordinances and regulations of the City relating to its construction and use.
- 8) The Redeveloper shall, from the time the Annual Service Charge becomes effective, pay to the City the Annual Service Charge and any excess over allowed profits as set forth in the Financial Agreement.
- 9) The following occurrences are express conditions to the grant of this tax exemption and capital contribution and are to be performed by the Redeveloper:
 - (a) The Redeveloper shall not, without prior consent of the City as set forth in the Financial Agreement, convey, mortgage or transfer all or any part of the Project which would sever, disconnect or divide the improvements being tax exempted under the Financial Agreement, from the land underlying the exempted improvements;
 - (b) During the term of the Financial Agreement there shall be no change in use nor shall any unit or units be converted to cooperative, condominium, or to any other use or type of occupancy;
 - (c) The Redeveloper shall complete the Project within the time frames set forth in the Redevelopment Agreement;
 - (d) In addition to the Professional Escrow Fee required by the Redeveloper Agreement, Redeveloper shall pay to the City within 45 days following execution of the Financial Agreement a one-time Administrative Fee equivalent to 2 % of the Minimum Annual Service Charge; and
 - (e) The Financial Agreement and the Redevelopment Agreement shall terminate in the event of a Default by Developer as defined within the respective Agreements.

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10) Without limiting the terms of the Financial Agreement, the Entity shall submit Annual Certified Audits to the City in compliance with the LTTE.

11) The Financial Agreement with the Redeveloper is a necessary inducement to the undertaking of the Project.

12) The Mayor, in consultation with the City Solicitor and the City Administrator / Chief Financial Officer, is hereby authorized to execute the Financial Agreement in the form attached hereto as **Exhibit A**, and prepare, amend or execute any other agreements necessary to effectuate this ordinance, subject to modification or revisions, as deemed necessary and appropriate,

13) The City Clerk is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the City upon such document.

14) In compliance with N.J.S.A. 40A:20-12 within 10 calendar days following the later of the effective date of an ordinance following its final adoption by the governing body approving the tax exemption or the execution of the financial agreement by the urban renewal entity, the City Clerk shall transmit a certified copy of this ordinance and Financial Agreement to the chief financial officer of the county and to the county counsel for informational purposes.

15) The executed copy of the Financial Agreement shall be certified by and filed with the Office of the City Clerk. Further, the City Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the City upon the Effective Date of this Ordinance in accordance with Section 12 of the LTTE Law.

IT IS FURTHER ORDAINED that any prior Ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistencies.

IT IS FURTHER ORDAINED that if any portion of this Ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, such judgment shall not affect or invalidate the remainder of this article, but shall be confined in its effect to the provision directly involved in the controversy in which such judgment shall have been rendered.

IT IS FURTHER ORDAINED that this Ordinance shall become effective twenty (20) days following final passage and publication as required by law.

FIRST READING: March 10, 2016

PUBLICATION: March 16, 2016

FINAL PASSAGE: March 24, 2016

RESOLUTIONS

Public Portion on Resolutions

Meeting was opened to the public and duly closed.

Consent Agenda

There were no items on the Consent Agenda.

Resolutions

Resolution No. 64

M/S – McGuigan/Toto

Adopted by a unanimous vote of those present.

City Councilman McGuigan congratulated Russ Babb and his family for supporting him. He added that there couldn't be a better deserved recipient. Councilman D'Adamo congratulated him for a great job. Council President Tapp thanked Russ exceedingly for his commitment and hard work. Additionally, he thanked Russ' family for their support. With a round of applause,

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Mayor Glasser proudly presented Mr. Babb with the resolution, and personally thanked him for all he has done for the City. Russ thanked the Governing Body for recognizing him.

**No. 64 of 2016
Recognizing and Honoring Russ Babb
Somers Point Recreation Volunteer of the Year**

WHEREAS, the City of Somers Point and the Somers Point Recreation Commission wish to recognize the efforts of Russ Babb for his never ending willingness to serve the Community of Somers Point; and

WHEREAS, Russ has been dedicated to the Somers Point Street Hockey Organization for over 13 years, serving as a coach, referee, and in the leadership role as President for the past 6 years; and

WHEREAS, Russ has been a mentor to many of the children of the organization and a strong teacher of the fundamentals of the game; and

WHEREAS, Russ has spent countless hours fundraising, working in the snack stand, organizing schedules, maintaining and improving the facilities; and

WHEREAS, Russ served for 3years on the Somers Point Recreation Commission; and

WHEREAS, he can always be counted on to help cook hamburgers and hot dogs for the hungry masses every year at the annual Good Days Festival at JFK Park; and

WHEREAS, the leadership, and dedication demonstrated by Russ Babb has impacted the lives of many of the citizens of Somers Point in a positive manner.

NOW, THEREFORE, BE IT RESOLVED that the Mayor, City Council and the Somers Point Recreation Commission name Russ Babb as the recipient of the 2015 Recreation Volunteer of the Year Award.

BE IT FURTHER RESOLVED that the City Council of Somers Point conveys their gratitude to Russ and their best wishes to him in all his future endeavors and services.

Resolution No. 65

M/S – McGuigan/Toto

Adopted by a unanimous vote of those present.

**NO. 65 of 2016
AUTHORIZING EXECUTIVE SESSION**

Proposed by: Council President Tapp

WHEREAS, while the Sen. Byron M. Baer Open Public Meetings Act (N.J.S.A. 10:4-6 et seq.) requires all meetings of the Somers Point City Council to be held in public, and N.J.S.A.10:4-12(b) sets forth nine (9) types of matters that may lawfully be discussed in “Executive Session,” i.e. without the public being permitted to attend, and

WHEREAS, the Somers Point City Council has determined that there is **ONE** (1) topic which require the advice and counsel of the City Solicitor and are matters permitted by N.J.S.A. 10:4-12(b) as an exception to public meetings and are necessary to be discussed without the public in attendance during an Executive Session to be held on March 10, 2016 during a public meeting to be held commencing at 7:00 P.M, and

WHEREAS, there are nine (9) exceptions to public meetings set forth in N.J.S.A. 10:4-12(b). Listed below, is the exception relied upon; and after the exception is a space within which the number of issues to be privately discussed that fall within that exception shall be written and within which additional

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information that will disclose as much information about the discussion as possible without undermining the purpose of the exception shall be written.

1 “(7) Any pending or anticipated litigation or contract negotiation in which the public body is or may become a party. Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer.”

The nature of the matters to be discussed, described as fully as possible without undermining the need for confidentiality:

1) Advice and counsel from the City Solicitor regarding legal research and investigation into liability and responsibility regarding certain real property boundary lines, usage and need for potential litigation or pursuit of other legal remedies, strategies and procedures. Participation by the City Engineer is also required to address survey issues and results.

WHEREAS, the length of the Executive Session is estimated to be approximately 20 minutes after which the public meeting of the City Council shall reconvene;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Somers Point will go into Executive Session for **only** the above stated reason;

BE IT FURTHER RESOLVED that the City Council directs the City Clerk to make ten (10) photocopies of this resolution immediately after it passes and to distribute those photocopies to the public in attendance prior to the Executive Session commencing.

BE IT FURTHER RESOLVED that the blank spaces within this form of resolution are to be filled out in conformity with a Consent Judgment and Memorandum of Understanding dated June 8, 2009 that arose that the City Council hereby declares that its discussion of the aforementioned subject(s) will be made public at a time when the public’s interest in disclosure is greater than any privacy or governmental interest being protected from disclosure. For each of the above items, the estimated date by which such disclosure can be made and/or the occurrence that needs to take place before disclosure can be made are listed below (attach separate sheet if necessary)

Subject of Discussion	Estimated Date	Necessary Occurrence
See Exception 7 Item 1	Unknown at this time	Formal City Council Action and / or Court Decision.

Old Business

City Councilman Smith reported that at the previous Planning Board meeting, there was a parking issue raised regarding a proposed restaurant and bar. Councilman Smith informed the public that the Parking/Traffic Committee will keep abreast of any developments.

Councilman Smith requested the Parking/Traffic Committee to review the need of parking permits on the north side of New York Avenue along with Sunny Avenue. Councilmen McGuigan and Smith discussed the areas in question. City Councilman McGuigan stated that he attended a good portion of the Planning Board meeting and regarding the proposed restaurant and bar, he has currently observed a difficult parking situation with the existing businesses. Mayor Glasser indicated that there is another meeting in the near future, and he received a new set of plans that he will be reviewing shortly. Councilman McGuigan is hopeful that some innovative ideas will address the parking issues. City Council President Tapp stated that the Parking Committee, Planning Board and City Council are sensitive to the needs of the residents and any impacts to them.

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New Business

City Council approved the Raffle Application for the Red Hawk Family School Association and for Shore Memorial Hospital Auxiliary and for the Good Day for a Run, LLC Foot Race Application to be held on April 16, 2016.

Discussion of Bills

The following list of bills in the amount of \$1,681,511.37 as well as records of payments in the amounts of \$4,000.00, \$1,189.91, \$4,500.00, were presented for discussion.

Public Portion

M/S – Gerety/Toto

Public portion was duly opened and closed with no public comment.

Payment of Bills

M/S – Gerety/Toto

The bills were approved by a unanimous vote of those present with Councilman McGuigan recusing himself from the Falasca Mechanical payment in the amount of \$505.94 listed on Page 8. A complete list of the bills is on file in the Office of the Municipal Clerk.

Recess

Council recessed at 8:05 p.m. prior to going into Executive Session.

Adjournment

There being no further business, meeting adjourned at 8:15 p.m.

Carol L. Degrassi, RMC/MMC
Municipal Clerk

Approved: 06/23/16