

TOWNSHIP COMMITTEE MEETING
February 7, 2011

The regular meeting of the Township Committee of the Township of Cranbury was held at 7:00 p.m. in the Town Hall Meeting Room. Answering present to the roll call were Township Committee members: David Cook, Glenn Johnson, Daniel Mulligan, James Taylor, and Mayor Win Cody. Also present were Township Attorney Karen Cayci, Esq.; Kathleen R. Cunningham, Clerk/Assistant Administrator, and Jean Golisano, Deputy Clerk. Mayor Cody led in the salute to the flag, and Ms. Cunningham gave the following Open Public Meetings Act statement:

In accordance with Section 5 of the Open Public Meetings Act, it is hereby announced and shall be entered into the minutes of this meeting that adequate notice of this meeting has been provided:

- (1) Posted on December 2, 2010 on the Bulletin Board of the Municipal Office at 23-A North Main Street, Cranbury, New Jersey and remains posted at that location.
- (2) Communicated to the Cranbury Press, Home News Tribune and Trenton Times on December 2, 2010.
- (3) Was filed on December 2, 2010 at the Cranbury Municipal Office, 23-A North Main Street, Cranbury, New Jersey, posted on the Township's web site and remains on file for public inspection, and
- (4) Sent to those individuals who have requested personal notice.

Public Hearing - Community Development Block Grant

Mayor Cody opened the Public Hearing on the Community Development Block Grant at 7:05 p.m.

Ms. Cunningham, Clerk, stated notice of the Public Hearing had been advertised in The Cranbury Press, posted on the Township's web site, posted on the Township's Bulletin Board, posted at the Cranbury Public Library and in the Senior Center at Town Hall.

Mayor Cody opened the meeting for public comment. Hearing none, Mayor Cody closed the meeting at 7:08 p.m.

Presentation by Mark Berkowsky, President, Cranbury Housing Associates

Mr. Mark Berkowsky, President, Cranbury Housing Associates ("C.H.A.") gave a presentation to the Township Committee and the public on the management and funding of the Township's Affordable Housing Plan. Mr. Berkowsky reported Cranbury Township in the past received \$19,000 a year for many years, and the amount for the past few years has been \$29,000. The funds have been used for all sorts of affordable housing needs, as an example, bringing Pin Oaks substandard housing up to code. Last year the funds were used for demolition of the existing building on the Route 130-D site. Mr. Berkowsky reviewed with the Township Committee a summary of 25 years of CHA programs. The summary of CHA housing is attached as Addendum A. Mr. Berkowsky stated 96 units have been developed under COAH. Mr. Cook inquired if the amounts of funds have escalated, and Mr. Berkowsky explained the County receives a "big pot" from the Federal Government, and the funds trickle down to municipalities. Mr. Berkowsky stated whether we agree with the COAH number or the Senate Bill-1 number for affordable housing units, the Route 130-D site will need to be built for Cranbury Township to be compliant. Mayor Cody opened the meeting for public comment. Hearing none, Mayor Cody thanked Mr. Berkowsky for his presentation, closed the Public Hearing, and requested a motion for a Resolution for the Community Development Block Grant monies.

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Resolution

On motion by Mr. Taylor, seconded by Mr. Mulligan, the following Resolution was adopted by the following vote:

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody
Abstain: (None
Absent: (None

Nays: (None

TOWNSHIP OF CRANBURY
COUNTY OF MIDDLESEX

Cranbury Township Resolution # R 02-11-033

WHEREAS, Cranbury Township has applied for \$29,700.00 from the Community Development Block Grant (CDBG) earmarked to be used for its Third Round Affordable Housing Program; and

WHEREAS, Cranbury Township has submitted its Third Round Affordable Housing Plan;

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Cranbury it hereby requests the \$29,700.00 in grant monies be used to defray some of the costs related to assist in the development of or rehabilitate low-to-moderate income housing in the Township of Cranbury.

Minutes

Township Committee Minutes for Re-org meeting of January 3, 2011

On motion by Mr. Taylor, seconded by Mr. Johnson and unanimously carried, the Regular Township Committee Minutes of the Re-org Meeting of January 3, 2011 were adopted.

Township Committee Minutes for Special Budget Meeting of January 15, 2011

On motion by Mr. Mulligan, seconded by Mr. Taylor and unanimously carried, the Township Committee Minutes for the Special Budget Meeting of January 15, 2011 were adopted.

Township Committee Minutes for Special Budget Meeting of January 22, 2011

On motion by Mr. Cook, seconded by Mr. Johnson and unanimously carried (with Mr. Taylor abstaining), the Township Committee Minutes for the Special Budget Meeting of January 22, 2011 were adopted.

Township Committee Minutes of Regular Meeting of January 24, 2011

On motion by Mr. Mulligan, seconded by Mr. Cook and unanimously carried, the Township Committee Minutes for the Regular Meeting of January 24, 2011 were adopted.

Reports and Communications

-- Mayor

Mayor Cody reported the final budget meeting will be held on Tuesday evening, February 15th at 7:30 p.m. Mayor Cody stated Cranbury is becoming "green" due to a warehouse on South River Road installing solar panels. He also reported a hotel is being proposed on South River Road. Mayor Cody reported the official 2010 census number is 3,857, representing a 20% increase over the last 10 years.

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Reports and Communications (Continued)

-- Members of Committee (con't.)

Mr. Taylor stated reports for the Fire Department and First Aid Squad were not available at this time. For Public Works, Mr. Taylor reported repairs for corrosion to the fuel tank of the large dump tank amounted to \$3,304, citing this is a good reason why a washing station is so important. Mr. Taylor reported eight DPW workers worked seven hours prepping the lake for skating and should be recognized for the tremendous job. As of February 7th, 450 tons of salt was spread on Township roads. For the Construction Department, 13 residential COs and 10 non-residential COs were issued. Permit fees of \$4,115 were collected. Mr. Taylor stated Construction Official Greg Farrington sought three quotes for replacement gutters for the Fire House to bring them to standard size. Out of three bidders, only one quote of \$3,200 was received. It was also determined two downspouts need to be installed in the back of the Fire House to take water away from the building. Mayor Cody inquired if the costs were within the budget. Mr. Taylor responded the costs were below what we thought they would be. The Township has penalty fines collected from false alarms which could be used to offset the \$3,200.

Mr. Cook reported on the Liberty Way Bridge, explaining to the public the purpose of the proposed bridge is to direct warehouse truck traffic away from Route 130 to Exit 8A on the Turnpike. A formal letter has been drafted to initiate conversation, giving the County the Township's intentions of what it would like to do about the project, and also opens up the conversation of where the County is going with the project.

Mr. Mulligan announced to the public that Denise Marabello, Administrator and Director of Finance, was participating in tonight's meeting via cell phone, and was available for questions if necessary. Mr. Mulligan announced he attended the Board of Education meeting last week and the Board was very appreciative to have a Township Committee member present. Mr. Mulligan stated he will try to attend at least one BOE meeting a month. He and Mayor Cody are trying to meet with two BOE members, but have had some scheduling conflicts. Mr. Mulligan reported from that meeting, the BOE will charge additional fees for facilities used by the Recreation Commission. The BOE purchased a new software package which will determine square footage costs including utility costs, to give an accurate breakdown of time and costs to run the building associated with usage. Mr. Mulligan reported Princeton High School is looking at changing the spring break schedule to the same week every year instead of following Easter holiday. This scheduling change would impact Cranbury School and Cranbury residents. Mr. Mulligan stated he enjoyed skating on Brainerd Lake, and he received many positive comments from appreciative residents. Concerning the Scouts, Mr. Mulligan asked if anyone is able to attend the Blue and Gold Dinner on February 12th, and Mr. Johnson responded he would be happy to attend on behalf of the Committee. For the Technology Subcommittee, Mr. Mulligan reported the server has been installed at the Police Department. Mr. Mulligan stated he and Mr. Cook as members of the Downtown Subcommittee are reaching out to residents, former Committee members, lifelong residents, and business owners and hope to have an official list of participants and a meeting scheduled by end February or early March. Mayor Cody stated the comments from businesses he has received concern parking problems because of the snow, and Mr. Mulligan responded there were many parking complaints. Parking is affected if the snow is not removed from the street, but at this time, there is no other place to send residents to park.

Agenda Additions/Changes

Ms. Cunningham, Clerk, announced a discussion for an RFP for Planning/Zoning Board Engineer, is being added as Item B in the Work Session.

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Ordinances
First Reading

CRANBURY TOWNSHIP
ORDINANCE # 02-11-03

A motion entitled "Cranbury Township Ordinance # 02-11-03, AN ORDINANCE OF THE TOWNSHIP OF CRANBURY, IN MIDDLESEX COUNTY, NEW JERSEY, AUTHORIZING A LEASE AGREEMENT FOR HISTORICAL AND AFFORDABLE HOUSING PURPOSES TO THE CRANBURY HISTORICAL AND PRESERVATION SOCIETY FOR TOWNSHIP-OWNED PROPERTY LOCATED AT 6 SOUTH MAIN STREET (BLOCK 23, LOT 73) AND COMMONLY KNOWN AS THE "GRISTMILLER'S HOUSE" was introduced for first reading. On motion by Mr. Cook, seconded by Mr. Taylor, the Ordinance was passed on first reading by vote:

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody

Abstain: (None
Absent: (None

Nays: (None

Second Reading: February 28, 2011

WHEREAS, the Township is the record owner of certain real property located at 6 South Main Street, designated as Lot 73 in Block 23 on the Cranbury Township Tax Map, improved with a two-story building commonly known as the "Gristmillers House" and/or the "Old Police Headquarters Building" (the "Property"); and

WHEREAS, the Gristmillers House was constructed in or about 1860 adjacent to the site of the Township's gristmill that had originally been established c. 1736, and has been occupied as a residential dwelling, and following the Township's acquisition, from 1968 to 1985 as the Cranbury Township Police Station; and

WHEREAS, the Gristmillers House is a historic structure located in the Township's historic district; and

WHEREAS, the Cranbury Historical and Preservation Society ("CHPS") is a non-profit organization with tax-exempt status pursuant to State and federal law that is committed to the furthering of interest in and knowledge of the Township's history, the promotion, support and encouragement of the beautification of the land and buildings located in the Township, and the restoration and preservation of the Township's historic buildings and sites; and

WHEREAS, by Lease dated December 20, 1989, CHPS leased the Property from the Township in order to save, preserve and maintain the historical improvements thereon, and with the assistance of a matching grant from the New Jersey Historic Trust and support of the Cranbury Township Community, undertook the renovation and restoration of the Gristmillers House, which was completed in 1993; and

WHEREAS, since that time, the Gristmillers House has served as the Cranbury History Center, housing CHPS's collection of visual, oral and written records of the Township's history, providing storage for artifacts, memorabilia and textiles not currently on exhibit at the Cranbury Museum, and providing a valuable resource facility for members of the public to conduct research and use CHPS's historical records; and

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Cranbury Township Ordinance # 02-11-03
(Continued)

WHEREAS, there exists within the Gristmiller's House a vacant one-bedroom residential apartment located at the rear of the building on the first and second floors (the "apartment") previously used as the residence of CHPS's custodian or subtenant; and

WHEREAS, CHPS has expressed its willingness and desire to lease the apartment to an income-qualified household as part of the Township's affordable housing program, and the Township desires to have the apartment leased to and occupied by an income-qualified household, in order to assist the Township satisfy its constitutional obligation to foster the production of affordable housing opportunities; and

WHEREAS, to effectuate and further the intent and purposes of the parties, the Township and CHPS desire to terminate the existing lease agreement and enter into a new lease agreement in order to ensure that the proper affordability controls on the apartment may be imposed such that the Township will be able to have the apartment included within its inventory of affordable housing units; and

WHEREAS, at this time, the Township does not have a municipal need for the Gristmiller's House or Property; and

WHEREAS, N.J.S.A. 40A:12-14 permits a municipality to lease to a non-profit organization for a public purpose real property that is owned, but not then needed, by said municipality; and

WHEREAS, enumerated public purposes under the Local Lands and Buildings Law, N.J.S.A. 40A:12-1 *et seq.* include: the promotion of the health, safety, morals and general welfare of the community; any civic or historic programs or activities by duly incorporated historical societies; restoration, preservation, improvement and utilization of historic sites for the benefit of the general public; and providing housing for low or moderate income persons or families; and

WHEREAS, the Township finds that the activities and uses of the Property by CHPS to: (a) maintain and preserve a valuable historic asset of the Township; (b) foster and promote interest in and knowledge of the Township's history; and (c) utilize the apartment for affordable housing purposes, all serve a multitude of valuable and beneficial public purposes.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Cranbury, Middlesex County, New Jersey, as follows:

1. The factual recitals contained in the foregoing "Whereas" clauses are incorporated herein as if fully restated.
2. The Township, in concert with CHPS, hereby authorizes the termination of the existing lease agreement with the CHPS for the Property.
3. The Property's residential apartment, located on the second floor of the Gristmiller's House, is hereby designated as an affordable housing unit, subject to the following terms, conditions and restrictions (the "Affordability Controls"):

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Cranbury Township Ordinance # 02-11-03
(Continued)

- a. The provisions of this Section of the Ordinance shall govern the use and occupancy of the apartment for a period of thirty (30) years (the "Control Period"), commencing upon the date on which the first certified household occupies the apartment. The Control Period may not be shortened except as provided for by law.
- b. So long as the apartment remains within the Control Period, use of the Property shall be expressly subject to these restrictions and any deed of conveyance must have these restrictions appended thereto or recited therein.
- c. Use, occupancy and rental of the apartment shall be subject to, and administered in conformance with, the applicable regulations of the New Jersey Council on Affordable Housing ("COAH"), and any successor State Department(s), agencies or entities; said regulations being currently set forth at N.J.A.C. 5:96 and 5:97 ("COAH's Third Round Rules") and N.J.A.C. 5:80-26.1 *et seq.* (the "Uniform Housing Affordability Controls" or "UHAC"), and as they may from time to time be amended, supplemented or replaced.
- d. The apartment is hereby designated by the Township as a "moderate-income" unit, as said designation is defined by N.J.A.C. 5:80-26.2.
- e. The apartment shall only be rented to, and occupied by, a household that has been approved in advance and certified in writing by the Township's Administrative Agent for affordable housing (the "Administrative Agent") (currently Cranbury Housing Associates, Inc.).
- f. The lessee of the apartment shall at all times maintain the apartment as his/her/their principal place of residence.
- g. No rent for the apartment shall be charged greater than the maximum permitted rent determined by the Administrative Agent in conformance with all applicable rules and regulations.
- h. Copies of any and all proposed leases for the apartment shall be submitted to the Administrative Agent for written approval prior to having such lease signed by a proposed tenant.
- i. No improvements or modifications may be made to the apartment that would affect its bedroom configuration without the prior written consent of the Township and the Administrative Agent.
- j. In light of the public policies set forth in the New Jersey Fair Housing Act (P.L. 1985, c. 222), UHAC, and the obligation for the provision of low and moderate-income housing, a breach of the Affordability Controls will cause irreparable harm to the Township and to the general public. As such:
 - i. In the event of a threatened breach of any of the provisions of this Section, the Township and/or Administrative Agent shall have all remedies provided for at law or equity, including the right to seek injunctive relief or specific performance.

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Cranbury Township Ordinance # 02-11-03
(Continued)

- ii. Upon the occurrence of a breach of any of the Affordability Controls, the Township and/or Administrative Agent shall have all remedies provided for at law or equity, including but not limited to: forfeiture, foreclosure, recoupment of any funds from a rental in violation of the Affordability Controls, diversion of rent proceeds from illegal rentals, injunctive relief to prevent further violation(s) of said Affordability Controls, entry on the premises, any of those remedies provided for by UHAC, and specific performance.
 - k. The Township acknowledges and finds that the rules, regulations and laws regarding the State of New Jersey's affordable housing requirements are currently in the process of being substantially amended and changed. As such, the Township herein reserves the right to, and expressly provides for, the ability of the Township to impose different or further restrictions on the Property applicable to the apartment, including the recording of any deed restriction(s), covenant(s) or other legally binding provision(s), that may now or in the future be deemed necessary to ensure continued compliance with State law for the crediting of the apartment as an affordable housing unit.
4. In accordance with N.J.S.A. 40A:12-14, the Township is hereby authorized to enter into a lease agreement with CHPS for the use and occupancy of the Property for the public purposes of maintaining and preserving a valuable historic asset of the Township, fostering and promoting interest in and knowledge of the Township's history, effectuating the occupancy of the apartment unit for affordable housing purposes, and such other purposes as are consistent with the Local Lands and Buildings Law. Said lease agreement shall be subject to the following essential terms:
- a. Pursuant to N.J.S.A. 40A:12-15, the initial term of the lease shall be for a period of fifty (50) years. CHPS shall have an option to extend the lease for an additional 25 years.
 - b. The annual rent due to the Township shall be the sum of One Dollar (\$1.00), to be paid on the first business day of every calendar year during the term of the lease.
 - c. The apartment unit shall be sublet to an income eligible household as part of the Township's Affordable Housing Program for a period of at least 30 years, subject to the Affordability Controls set forth in Section 3 of this Ordinance.
 - d. All fees of the Administrative Agent incurred in connection with the rental of the apartment shall be the responsibility of CHPS.
 - e. During the lease term, CHPS shall have the right to park motor vehicles on Township-owned lands located to the rear of the Property, designated as Lot 72 in Block 23, in such a manner and number as to not interfere with the Township's and Fire Company's use of Lot 72.
 - f. All utilities shall be the responsibility of CHPS. The Township shall be responsible for cutting the grass, lawn maintenance, and for snow removal of the parking lot (Lot 72) and sidewalk areas of the Property.
 - g. CHPS shall maintain adequate insurance coverage naming the Township as an additional insured, and shall agree to indemnify, defend and hold the

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Cranbury Township Ordinance # 02-11-03
(Continued)

Township harmless. CHPS shall have a minimum liability insurance coverage limit of \$1,000,000. Any lessee of the apartment shall be required to maintain a rental insurance policy with a liability limit of at least \$100,000.00. The Township shall continue to provide and maintain Fire Insurance coverage for the structure.

- h. As required by N.J.S.A. 40:12-14(c), CHPS shall submit to the Township Administrator annually, a written report setting forth: (1) the uses to which the leasehold was put during the prior calendar year; (2) the activities CHPS undertook in furtherance of the public purposes for which the leasehold was granted; (3) the approximate value or cost, if any, of such activities; and (4) an affirmation of its continued tax-exempt status pursuant to both State and federal law.

5. Pursuant to the requirements of N.J.S.A. 40A:12-14, the Township Administrator is hereby designated as the authorized representative of the Township, responsible for enforcing the terms and conditions of the Lease Agreement.

6. The Mayor and Township Clerk are hereby authorized and directed to sign on behalf of the Township the above referenced Lease Agreement, a copy of which is on file in the Township Clerk's Office, or such other substantially similar agreement, the terms and form of which shall have been reviewed and approved by counsel for the Township in consultation with the Township Administrator.

7. The Mayor, Township Administrator, Township Clerk, Township Engineer, Township Attorney, and other appropriate officers, employees, consultants and professionals, are hereby authorized and directed to prepare and execute any and all documents and instruments regarding the affordability controls and lease agreement, and undertake any and all further acts necessary to accomplish the purposes hereof.

8. This Ordinance shall take effect upon final adoption and publication, as provided for by law.

Cranbury Township Ordinance # 02-11-04

A motion entitled, "Cranbury Township Ordinance # 02-11-04, CALENDAR YEAR 2011 ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS AND TO ESTABLISH A CAP BANK (N.J.S.A. 40A: 4-45.14)" was introduced for first reading.

Mayor Cody asked Ms. Marabello to explain the ordinance. Ms. Marabello stated this allows the Township to exceed its cap from 2% to 3-1/2%. Ms. Marabello explained the current budget is almost finalized, and we are not going to exceed the cap in 2011. If the need arises in 2012 or 2013, the Township would have that 1.5% and would not have to go to the Local Finance Board to ask permission to raise the cap. Mayor Cody emphasized that the Township is under the cap, but in the future could be above the cap. Mr. Cook stated this gives the Township a cushion for future years so we would not have to have an emergency meeting with the Local Finance Board to raise additional funds. Mr. Richard Kallan, Wynnewood Drive inquired about the 2% cap and if funds are put aside. Mayor Cody confirmed the money is not put aside, but the Township has the right in future years to spend above the 2% cap what we didn't spend this year. Mayor Cody explained if this year we spend 1% above last year's budget, we could spend 3% next year if we wanted. Mayor Cody asked for confirmation from Ms. Marabello, and Ms. Marabello explained it is not actual cash, but we have set aside the

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Cranbury Township Ordinance # 02-11-04
(Continued)

1.5% if we need it in the future. This mechanism allows the Township to go above and beyond by providing a buffer.

On motion by Mr. Taylor, seconded by Mr. Johnson, the Ordinance was passed on first reading by vote:

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody
Abstain: (None
Absent: (None

Nays: (None

Second Reading February 28, 2011

WHEREAS, the Local Government Cap Law, N.J.S. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget to 2% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,

WHEREAS, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,

WHEREAS, the governing body of the Township of Cranbury in the County of Middlesex finds it advisable and necessary to increase its CY 2011 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

WHEREAS, the governing body hereby determines that a 1.5 % increase in the budget for said year, amounting to \$100,790.60 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

WHEREAS, the governing body hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

NOW THEREFORE BE IT ORDAINED, by the governing body of the Township of Cranbury, in the County of Middlesex, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2011 budget year, the final appropriations of the Township of Cranbury shall, in accordance with this ordinance and N.J.S.A. 40A: 4-45.14, be increased by 1.5 %, amounting to \$100,790.60, and that the CY 2011 municipal budget for the Township of Cranbury be approved and adopted in accordance with this ordinance; and,

BE IT FURTHER ORDAINED, that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

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Resolution

Mayor Cody asked Ms. Marabello for clarification on Resolution # 02-11-034, the Self-Examination of Budget. Ms. Marabello explained this is a resolution the Township does every year except every third year when the State must look at the budget. This allows the Township to self-examine, and will not have to wait for the State to examine the budget. Last year the State actually reviewed the budget, and this year we can self-examine again.

On a motion by Mr. Mulligan, seconded by Mr. Taylor, the following Resolution was adopted by vote:

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody
Abstain: (None
Absent: (None

Nays: (None

Cranbury Township Resolution # R 02-11-034

SELF-EXAMINATION OF BUDGET RESOLUTION

WHEREAS, N.J.S.A. 40A:4-78b has authorized the Local Finance Board to adopt rules that permit municipalities in sound fiscal condition to assume the responsibility, normally granted to the Director of the Division of Local Government Services, of conducting the annual budget examination; and

WHEREAS, N.J.A.C. 5:30-7 was adopted by the Local Finance Board on February 11, 1997; and

WHEREAS, pursuant to N.J.A.C. 5:30-7.2 through 7.5, the *Township of Cranbury* has been declared eligible to participate in the program by the Division of Local government Services, and the Chief Financial officer has determined that the local government meets the necessary conditions to participate in the program for the 2011 budget year.

NOW THEREFORE BE IT RESOLVED by the governing body of the *Township of Cranbury* that in accordance with N.J.A.C. 5:30-7.6a & 7.6b and based upon the Chief Financial Officer's certification, the governing body has found the budget has met the following requirements:

1. That with reference to the following items, the amounts have been calculated pursuant to law and appropriated as such in the budget:
 - a. Payment of interest and debt redemption charges
 - b. Deferred charges and statutory expenditures
 - c. Cash deficit of preceding year
 - d. Reserve for uncollected taxes
 - e. Other reserves and non-disbursement items
 - f. Any inclusions of amounts required for school purposes.

2. That the provisions relating to limitation on increases of appropriations pursuant to N.J.S.A. 40A:4-45.2 and appropriations for exceptions to limits on appropriations found at N.J.S.A. 40A:4-45.3 et seq., are fully met (complies with CAP law).

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Cranbury Township Resolution # R 02-11-034
(Continued)

3. That the budget is in such form, arrangement, and content as required by the Local Budget Law and N.J.A.C. 5:30-4 and 5:30-5.

4. That pursuant to the Local Budget Law:

- a. All estimates of revenue are reasonable, accurate and correctly stated,
- b. Items of appropriation are properly set forth
- c. In itemization, form, arrangement and content, the budget will permit the exercise of the comptroller function within the municipality.

5. The budget and associated amendments have been introduced and publicly advertised in accordance with the relevant provisions of the Local Budget Law, except that failure to meet the deadlines of N.J.S.A. 40A:4-5 shall not prevent such certification.

6. That all other applicable statutory requirements have been fulfilled.

BE IT FURTHER RESOLVED that a copy of this resolution will be forwarded to the Director of the Division of Local Government Services upon adoption.

Resolution
Consent Agenda

On a motion by Mr. Cook, seconded by Mr. Taylor, the following Consent Agenda Resolution was adopted by vote:

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody
Abstain: (None
Absent: (None

Nays: (None

Cranbury Township Resolution # 02-11-035

NOW, THEREFORE, BE IT RESOLVED, by the Township of Cranbury that all bills and claims as audited and found to be correct be paid.

Reports from Township Staff and Professionals
There were no reports.

Reports from Township Boards and Commissions
There were no reports.

Work Session

- a). Presentation by Mary Morrison from the Middlesex County Agricultural Board
Ms. Mary Morrison, Middlesex County Agricultural Board, gave a presentation to the Township Committee and the public on the various grant programs available for open space acquisition and preservation. Mr. Cook explained the programs being addressed by Ms. Morrison are not new to the Township. The goal is to have Ms. Morrison be available to answer questions about open space programs. A map showing an aerial view of Cranbury Township was displayed. Ms. Morrison stated the Farmland Preservation Program

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Work Session (Continued)

Presentation by the Middlesex County Agricultural Board

Ms. Morrison (con't)

is administered by the State Agriculture Development Committee (SADC) which works in conjunction the County Agriculture Development Boards (CADB), municipal governments, nonprofit organizations and landowners. In 2007 the State mandated new rules for County Preservation Program. Ms. Morrison explained there is a new County Planning Incentive Grant program (PIG), which requires the County to develop a comprehensive farmland preservation plan as a condition of preservation funding. Under the rules, in order for a County or Municipality to be eligible for funding, it must receive SADC approval of its Planning Incentive Grant (PIG) Application. Each year Ms. Morrison sends out letters to each municipality inquiring if they have any additional farms the municipality would like targeted for farmland preservation. Every property targeted by the County meets the minimum guidelines. Ms. Morrison stated the plans are required to explore a number of opportunities and aspects of farmland preservation planning including: agricultural land use planning that helps accommodate growth in ways that consume less land; agricultural economic development; natural resources conservation; and overall governmental support for agriculture. Mayor Cody reported Cranbury has done very well in the past. Ms. Morrison agreed, stating Cranbury leads the County with 2,600 acres of preserved farmland, and with targeted farms there is about 600 acres left. Ms. Morrison stated those 2,600 acres are almost half of the entire County's preserved 5,400 acres. She stated the process for applying for farmland preservation includes submitting the farmland preservation application to the State, as well as project area summary, which summarizes the targeted farms and areas the municipality wants to focus on for preservation. Once the SADC approves the plan, then the municipality is qualified for funding. The plans are very comprehensive as they look at agriculture land use planning that helps accommodate growth that doesn't consume too much land. It also takes into account agricultural economic development and natural resources. Going through the plan process is very proactive for the community. Once plan approval has been received, individual applications can be submitted for funding. The CADB is responsible for approving most applications for the farmland program. The CADB reviews and approves the application and then forwards it to the State. Ms. Morrison stated the CADB will not approve an application unless it receives a letter of support from the municipality. At the same time the municipality states its support, the municipality is also acknowledging its responsibility of part of the cost. The PIG planning program cost breakdown is: 20% County; 20% Municipality; and 60% State. Mr. Cook inquired if that formula has changed, and Ms Morrison stated the formula is a based on a sliding scale depending on size, and Cranbury's farms basically fall with the State's 60% share of cost. Providing there is funding available, Ms. Morrison stated we can expect 60% funding. When the CADB adopts an application based on the State's eligibility criteria, the municipality's support, and available funding, the application is then sent to the State. The project will receive a "green light" approval from the SADC, and at this point appraisals can begin. The County hires three appraisers (chosen from a state-approved list), two of which perform a full appraisal of the property, one to review appraisals and then appraisals are sent to the State. Based on the appraisals, the State certifies a value and issues its own review of the appraisals. The municipality/County then forwards the certified value to the landowner as an official offer. The landowner has 60 days to accept or reject the final approval from the SADC. When the final approval is granted by the SADC, funds are encumbered for the state cost share, which is usually 60% for the county. The value of a farm is established through two independent appraisals. Once a value has been determined and agreed upon, the sale can proceed. Ms. Morrison explained the County PIG program for the year 2011; the SADC has allocated a total of \$39 million, which includes \$1.5 million in "Base Grant" funds for each county that demonstrated a funding need. The SADC also established a \$15 million "Competitive Grant" fund with a \$3 million cap in competitive funds per county. Mayor Cody asked for clarification between "Base" and "Competitive" grants. Ms. Morrison stated the base grant is spent down first, and when that is depleted, the applications go into the competitive grant. Counties must compete against other counties in the state for the funding, with a cap of \$3 million. For the Municipal PIG, the SADC has

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February 7, 2011

Work Session (Continued)

Presentation by the Middlesex County Agricultural Board

Ms. Morrison (con't)

allocated \$750,000 for each new municipal PIG and \$500,000 for pre-existing municipal PIGs. Ms. Morrison stated the SADC accepts requests for final approval only to the extent funds are available. Mayor Cody inquired if funding is available, and Ms. Morrison stated the CADB is being told to continue submitting applications at the present time. Mayor Cody asked if the funding was available based on the referendum that was passed by the voters. Mr. Brian Schilling, Holmes Road, stated during an SADC meeting, it was discussed if it was necessary for the State to go into additional debt by honoring the farmland preservation referendums. Mr. Schilling stated the voters spoke by explicitly voting on this, and in his opinion this is a more secured form of debt because the voters want it. There is a sense of optimism; however, the application is based on the availability of funds. Ms. Morrison states it takes two (2) years to process applications in Middlesex County. Ms. Morrison referred to a map displaying preserved farmland, as well as targeted farmland. She stated out of 5,400 acres in Middlesex County, 2,600 acres of preserved farmland are in Cranbury. Mr. Mulligan asked what municipalities are competitors of Cranbury. Ms. Morrison replied Plainsboro and Monroe are Cranbury's competitors. Monroe is an active competitor. Each farm is given a quality score based on its tillable acreage, and amount of prime farmland soil. The applications the County receives do not vary much on the scores. Mr. Mulligan inquired about the County tax, and Ms. Morrison replied \$.03. Mr. Schilling explained since the early 1960s through the late 1990s there were a series of nine (9) state-wide bond referendums, and prior to 1983 most of the money was to support open space preservation. In 1983 the program was initiated, and in 1985 the first land was preserved statewide. In 1998 the Garden State Preservation Trust was put before the voters as a constitutional amendment that dedicated a portion of sales tax to fund and finance acquisitions. Mr. Schilling explained that money was allocated for 10 years, but because of the high cost of land, those funds were depleted in 8-1/2 years. In 2007 and 2009 additional referendums were pursued to provide grants so programs would not be disrupted. Mr. Schilling stated sales tax and general bonds funded the programs. Ms. Morrison stated Ms. Marabello inquired about the viability of the program for Cranbury. Mr. Morrison stated the work has been done for Cranbury. The County does a lot of public outreach by targeting farms and reaching out to farmers. Mr. Schilling explained in years past there was more available funding but it is a little leaner now. Mr. Mulligan asked if there was anything more Cranbury could be doing. Ms. Morrison stated Cranbury's plan is their plan. She said Cranbury has always done such a great job and is always helpful. Mayor Cody stated Cranbury has eight (8) targeted farms, and assumed we would just have to wait until the owners state they are interested in preservation. Mr. Cook stated he appreciates the programs are available and thanked Ms. Morrison and Mr. Schilling for their assistance in keeping the programs viable. Cranbury could not have achieved its preservation without the programs. Mr. Mulligan stated it is critical Cranbury continues to participate in this program, and added when looking at the finances of the State, Cranbury receives the short end of the stick with school funding on the municipal side, and we pay a lot in sales tax and income tax to the State. This is the one source of funding we deserve to receive back and it is imperative the Township continue with the program going forward. Mr. Mulligan stated he is committed to the program. Mr. Schilling offered additional statewide information for the program. So far, the State has preserved 1,988 farms for a total of 189,000 acres. They are projecting to reach 2,000 farms with a total acreage of 200,000 this year. New Jersey is in the lead of the country, preserving 27% of the existing remaining farm land. Mr. Schilling emphasized how important it is to have these comprehensive farmland preservation plans. Mr. Schilling explained 18 counties have participated in the plan, with another 200,000 to 250,000 acres of farmland being targeted over the next ten years. The process can be long, cumbersome and sometimes frustrating, but it does pay dividends.

TOWNSHIP COMMITTEE MEETING
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Work Session (Continued)

Presentation by the Middlesex County Agricultural Board

Mr. Schilling (con't)

This is one of the best sources of leverage local governments can look for. The State has spent \$1.4 billion on farmland preservation in New Jersey, with Middlesex County receiving \$56 million. Besides the economic and environmental benefits, the fiscal benefits of preserving farmland are enormous. Mr. Schilling stated funding is presently available, but may dry up so he strongly suggested the municipality support the program. Mr. Schilling stated the soil in Cranbury is excellent, but unfortunately warehouses are on some of the best soil in the State. Mr. Mulligan inquired if there is a savings of preserving farmland versus building the land. Mr. Schilling stated there are fiscal impact studies which show the benefit of having farmland, i.e., every dollar paid in farmland taxes consumes only \$.20 to .40 of local revenue versus the residential build out costing \$1.50 for every tax dollar collected. Mr. Schilling further explained voters in 21 counties are recognizing the fiscal benefits. Mr. Cook stated the compounding effect of affordable housing and increased population possibly necessitating the cost of building additional schools. Mayor Cody asked if the public had any questions, and having none, thanked Ms. Morrison for her presentation

- b. Request from Planning and Zoning Boards Township Participation for RFP for Engineer
Mayor Cody explained the Planning and Zoning Boards requested the Township join in an RFP for a new engineer. Mayor Cody stated the Township engineer is appointed for three years, but in the interim, asked if the Township Committee wanted to participate in the search for the Planning and Zoning engineer. Mr. Cook commented for continuity purposes, the Township Committee should be part of the search process. Mr. Mulligan agreed and inquired if rates and services would be reviewed. Ms. Cunningham, Clerk, explained the rate sheet is attached as a response to the RFP. Mr. Mulligan stated currently the rates are different at the Planning and Zoning level versus the Township level and wanted to be on the record as having concerns that the rates are different and should be the same. Mayor Cody stated the process will be that two members from each (Planning, Zoning and the Township) will pre-screen the candidates. Mayor Cody asked for volunteers, and Mr. Johnson and Mr. Taylor volunteered to participate in the RFP process. Mayor Cody requested the Clerk add an item to the February 28th Agenda under Closed Session to discuss the Township Engineer.

Public Comment

The Mayor opened the meeting to public questions and comment. Mr. Peter Sockler inquired if there is an active RFP for an engineer, and Mayor Cody responded the RFP will be out in a couple of weeks. There being no further public comment, Mayor Cody asked for a motion to go into Closed Session.

Resolution

On motion offered by Taylor, seconded by Johnson, the following resolution was adopted by vote:

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody
Abstain: (None
Absent: (None

Nays: (None

TOWNSHIP COMMITTEE MEETING
February 7, 2011

Cranbury Township Resolution # R 02-11-036

TOWNSHIP OF CRANBURY
COUNTY OF MIDDLESEX

RESOLUTION TO CLOSE MEETING TO THE PUBLIC

BE IT RESOLVED, by the Township Committee of the Township of Cranbury, Middlesex County, New Jersey as follows:

The general nature of the subject to be discussed in this session is as follows:

---- N.J.S.A. 10:4-12b (7) – (“Pending or anticipated litigation”): Discussion with Township Attorney regarding pending or anticipated litigation;

----- N.J.S.A. 10:4-12b (5) (Land Acquisition): Discussion of possible open space acquisition.

It is unknown at this time precisely when the matters discussed in this session will be disclosed to the public. Matters involving contract negotiations or the acquisition of land will be disclosed upon conclusion of the negotiations or upon approval of the acquisition. Matters involving personnel will be disclosed when the need for confidentiality no longer exists. Matters concerning litigation will be announced upon the conclusion of trial or settlement of that litigation or when the need for confidentiality no longer exists

On motion by Mr. Taylor, seconded by Mr. Johnson and unanimously carried, the meeting returned to Open Session.

Ayes: (Cook
(Johnson
(Mulligan
(Taylor
(Cody
Abstain: (None
Absent: (None

Nays: (None

On motion by Mr. Taylor, seconded by Mr. Mulligan and unanimously carried, the meeting adjourned at 8:45 p.m.

Jean Golisano, Deputy Clerk

TOWNSHIP COMMITTEE MEETING
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