

OPEN SESSION

Mayor Robert Patten called the meeting to order at 7:00 p.m. and read the Open Public Meetings Act statement which stated that adequate notice and posting of the meeting had taken place in accordance with the requirements of P.L. 1975, Chapter 231.

The flag salute was followed by the roll call.

ROLL CALL

	PRESENT	ABSENT
<i>Mayor Patten</i>	✓	
<i>Councilmember Harinxma</i>	✓	
<i>Councilmember Quattrone</i>	✓	
<i>Councilmember Rosenberg</i>	✓	
<i>Councilmember Schneider</i>	✓	
<i>Councilmember Sikorski</i>	✓	
<i>Councilmember Thompson</i>	✓	

Also in attendance: Candace Gallagher, Borough Clerk/Administrator; James M. Eufemia, Chief of Police, and Frederick Raffetto, Esq., Borough Attorney.

APPROVAL OF AGENDA

The Agenda was moved as submitted by Councilmember Sikorski, seconded by Councilmember Harinxma and approved by all.

APPROVAL OF MINUTES

Minutes of the April 3, 2006 open and closed sessions were moved by Councilmember Sikorski, seconded by Councilmember Quattrone and approved as submitted by all but Council President Schneider, who abstained.

SWEARING IN OF POLICE OFFICER – FRANCISCO JIMENEZ

Mayor Patten administered the oath of office to newly hired Police Officer Francisco Jimenez, who was accompanied by members of his family. Officer Jimenez was appointed on April 3, 2006.

PRESENTATIONS**PROPOSAL FOR MILL DEVELOPMENT – DRANOFF PROPERTIES**

Following a brief overview by Mr. Raffetto of the redevelopment process to date, Jim Sherman of Dranoff Properties addressed the governing body and public to present the firm's proposal for redevelopment of the Mill property. He spoke

of other projects underway or completed by Dranoff, and said that he was motivated by Hightstown's charm and its central location. In addition, this project, he said, "is exactly what we do" – multi-family, adaptive reuse, and new construction.

Mr. Sherman said that Dranoff's goal is "to create a mini-community," and that 140 units is a good number for the "critical mass" to make that work, although, he added, they are "not married to that number." The proposed project, he said, would not "overwhelm utilities and infrastructure" and would "have and require upscale retail." It would "create a pleasant downtown green spot for everyone to enjoy." Many of the units would be one-bedroom units, and it is not likely that this would overtax the school system. Mr. Sherman acknowledged that his firm "doesn't understand COAH in New Jersey," and that they have more to learn regarding the environmental cleanup costs at the site, "but," he added, "we're not strangers to that." He further stated that the design being presented at this meeting "still needs a lot of work."

David Zaiser, Borough resident and architect for the project, then addressed the Mayor, Council and public. He reviewed other projects that the firm has been involved with, and noted that they won the 2006 Smart Growth Award. The Mill project, he said, would be a two phase project, and they want to make it "an economic driver" for Hightstown. He spoke of it being a "connected community" and said, "ultimately, we need to make it a great place to be. If it's not a great place, it's not worth doing."

Mr. Zaiser explained that "residential drives retail," and said that for retail stores to be successful, there must be customers nearby. The "critical distance," he said, is within ten to fifteen minutes walking distance and ideally, there should be between 1,000 and 2,000 units of housing within that distance. He noted that Peddie Lake, while beautiful, "takes up an enormous amount of critical area near our downtown that would normally be residential units." According to the Urban Land Institute, Mr. Zaiser said, 60% of homebuyers are looking for higher density units within walking distance of retail.

Mr. Zaiser went on to say that Dranoff wanted the focus of the complex to be on green space and not on parking. Rocky Brook Park, he said, should be an important feature, and the Greenway running through the site is important to maintain. He noted that this plan includes a pedestrian bridge in the middle of the site. He suggested that a feature could be provided within the green space that would attract Hightstonians, such as a greenhouse for use by the Garden Club. It is important to promote pedestrian use of the area, he said.

Lastly, Mr. Zaiser stated that Dranoff has "made some assumptions regarding existing conditions that need to be verified."

Dan Paulson of Clements Construction Co. then spoke. He noted that their Superintendent, John Farkas, is a local resident. Mr. Paulson said that his company has constructed ten similar projects within the last five years, and echoed Mr. Zaiser in saying that "residential drives commercial." "We are prepared," he said, "to work closely with local government, residents, police, and the fire department to make things go smoothly during the construction phase." Mr. Paulson added that his firm has been nominated for a safety award for zero lost time accidents during 2005, when they did \$80 million in construction.

Mayor Patten opened the floor for questions from Council.

Councilmember Harinxma and Councilmember Sikorski asked about accessways and parking. Mr. Zaiser reviewed the entries and exitways as proposed, which include an entrance aligned with Mechanic Street. There would be no access from Main Street, and the Stockton Street access would be used in emergencies only. Townhouses would include parking beneath the units, and other parking (except for the 20 spaces allocated for municipal use) is based on a ratio of 1.7:1, rather than the 2:1 ratio called for in the adopted Redevelopment Plan. "Experience suggested we could go lower," Mr. Zaiser said.

Councilmember Sikorski stated that affordable housing is an important issue, but is not addressed in this proposal. The preliminary consensus of Council, he said, was that affordable units must be built on-site. Mr. Zaiser stated that Dranoff understands that they will need to deal with COAH housing and they agree that it is an important issue, "but we have to look at the whole Borough using COAH standards to figure out what the number is." "We couldn't figure it out," he said. Mr. Sikorski said that our approved plan documents the number of units that would be required, based on the elements of that plan. He asked if, once they determine how many would be needed, those units would be added to the 143 proposed, or if the 143 would include the affordable units. Mr. Zaiser stated that they would be included in that number.

Councilmember Sikorski also asked how Dranoff would address the acquisition of this property. Mr. Sherman said that the press indicates that the property is about to be sold. "We have a business plan," he said, "but we aren't sure how we'll implement it." "If the sale is consummated," Mr. Sikorski asked, "where does that leave the project?" Mr. Sherman replied simply that Dranoff is aware of that situation, and of what the cost could be, "and we're still here." He said that they are "at least six months away from putting a shovel in the ground," noting that there is more work to do on the design and more information to be gained on the costs of acquisition and environmental cleanup.

Mayor Patten asked if the municipal building proposed would include a "full build out" for the police, court and municipal offices. Mr. Sherman said that furniture, fixtures and equipment would not be included.

Council President Schneider asked how many units of housing would be included above the retail space along Main Street. Mr. Zaiser said that there would be six residential units there. Mr. Sherman stated that they envision a "nice size restaurant" in that location.

Councilmember Thompson asked if, despite the fact that Dranoff has made certain assumptions with this proposal, the COAH units would be included in the 143 units, and built onsite. It was confirmed that the 143 units would include the affordable units. Referring to Dranoff's earlier assertion that a thriving downtown must be surrounded by a residential base of one to two thousand households within 10 or 15 minutes walking distance, Mr. Thompson asked how many households are within that circle with respect to Hightstown's downtown area. "About 250," Mr. Zaiser said. "We would like to see about 500 to drive the downtown." He noted that the housing density here increases as you go out of town.

Regarding the proposed 15,000 square foot municipal building, Councilmember Thompson said that it is "awfully big," and asked what potential there may be for a "much lower number of units" as the Borough weighs various options for the site, including the size of the municipal building. Mr. Sherman said that they could go lower, but that would not support the features they wish to include, such as a concierge and a security guard. "It's what we normally use as a minimum," he said, adding that they "don't want to be dogmatic."

Council President Schneider asked for clarification regarding the number of COAH units that would be included. Mr. Sherman stated that the "COAH laws are so elusive, we can't answer that."

Councilmember Harinxma asked if, since residential drives retail, the plan as proposed could potentially bring in more retail to the Borough. Mr. Zaiser said that the hope is that "this much residential will help the *existing* retail."

Councilmember Quattrone asked what the "high end price" may be for the residential units. "North of \$300 per square foot," replied Mr. Sherman. Mr. Zaiser noted that the average unit is about 1,000 square feet. Mr. Sherman explained that the market is "full of 'empty nesters,'" and is moving away from single family detached homes. Condos are selling for more on a square foot basis. In addition, "married with children" households now comprise only about 25% of the total, and that number is decreasing.

Councilmember Rosenberg asked about the time of completion for this project. Mr. Zaiser said that it would "take a couple of years, even if we were to start tomorrow."

Councilmember Thompson noted that a Borough consultant recently said that a 1,400 sq. ft. unit could not sell for more than \$245,000, yet Dranoff is anticipating selling 1,000 sq. ft. units for \$300,000. He asked if the consultant's figures would "scare [Dranoff] off." Mr. Zaiser said that the asking price for the Sharbell lofts in Washington Township is up to \$460,000. They feel confident in their sales price estimates, he said, noting that "this is a great location."

There being no further questions from Council, Mayor Patten opened the floor to the members of the other Boards and Commissions who were in attendance.

Richard Pratt recommended a visit to the Dranoff website (www.dranoffproperties.com), where one can view examples of "great redevelopment projects" they have undertaken, such as The Victor in Camden. Mr. Pratt also noted that KSS Architects is an award-winning firm and was voted Firm of the Year (a national honor) by the American Institute of Architects a few years ago. They too, have done urban and rehab projects. "Rehab," Mr. Pratt said, "is complicated, intricate and time-intensive. The building that is there is in bad shape, but we need to save it as a historic structure. KSS has done that several times. They are well-versed in what to do."

Mr. Pratt went on to say that 143 units concerns him, and added, "but so does 100." He said that he would like to see a traffic study to see how cars would get in and out of the site. "This site plan, of all the others we've seen," he said, "has the most potential. The green space in the middle is great." He suggested that the feature to be included within the green space might be a band shell. Regarding the municipal building, Mr. Pratt noted that, a few years ago, the Borough had hired an architect to do drawings for planned renovations to the existing Borough Hall and police station, and "15,000 [square feet] is a good number." He noted that he had some concern that the Historical Society would be overshadowed by a three-story building and asked if they have given any consideration to parking for the Society. Mr. Zaiser said that they "assumed that was incorporated in the spaces included for the Borough."

Steve Misiura asked how the plan presented deviates from the adopted Redevelopment Plan. Mr. Zaiser stated that parking ratio was reduced to 1.7:1.

Chris Emigholz asked what parts of the plan as presented would be subject to change if profitability became an issue. Mr. Sherman said, "We won't start until we know exactly what the affordability and environmental issues are." He said that they don't know much right now about COAH, the environmental issues at the site, or the condition of the building, although they are "not assuming it's in wonderful shape." In addition, he said, "the design needs to be buttoned up." He added that, as the project is designed, they will hire environmental firms to do "Phase I" testing for heavy metals, asbestos and lead, and that, ultimately, they will be looking for "complete environmental acceptance from DEP" before they start. He said that a COAH consultant would be brought in also, and it would be at least six months before they could "put a shovel in the ground."

Jim Jurgens asked if there was any retail planned beyond the space on Main Street, or any office space. Mr. Zaiser said that no office space is included, and just a small amount of retail space. The residential units would include one-bedroom units of 800 square feet each, and two-bedroom units ranging from 1,000 to 1,400 square feet. Mr. Jurgens said that he likes that they are not including more potential retail or office space, given vacancies in the Borough right now, but added, "I'm not sure I can buy into the number [of units] yet."

Roger Cook stated that he was "delighted to see fresh new ideas, particularly with respect to the Greenway."

Sue Bottino asked if Dranoff has planned to use solar energy. "We haven't talked about that," Mr. Zaiser said, but added that this could be a selling point.

Nancy Walker-Laudenberger thanked Mr. Zaiser for bringing this project to the Borough, and said, "I can't wrap myself around 140, or even 130, units, but I like the idea that you have done the research and that this is economics driven." She also expressed concern that the Historical Society may be "overpowered" by a three-story building.

Mr. Pratt asked what would help people feel more comfortable with the increased number of units. "We had 80 in the Ordinance," he said, "but that was a number that was given to us." He asked if a traffic study would help. "Probably not," Mayor Patten said, noting that the Borough Engineer will need to determine the required number of parking spaces. "We don't have the answers right now," he said.

Gary Grubb asked if any of the other projects they have done reflect what the Borough is trying to accomplish. Mr. Sherman said that most are similar renovation projects. Density, he said, is dictated by the size of the building. Mr. Grubb asked if there are references available from other municipalities they have worked with, and Mr. Sherman said that they can provide that. He said that Dranoff would welcome the opportunity to show interested officials their work, as it is "high quality." Their projects, he said, are geared toward dual-income households with no children.

At this time, the Mayor opened the floor to the public.

John Archer, Borough Fire Chief, asked if this project contemplates a PILOT (payment in lieu of taxes). Mr. Raffetto stated that this would have to be discussed with the developer. It is available, he said, and was discussed with the prior developer. He noted that this is "still at a very preliminary point." Mr. Archer asked who would maintain the green space, and was informed that the condominium association would be responsible for that. He also noted that the project as designed eliminates an accessway near the fire house that is needed for the fire company's use. "We can fix that," Mr. Zaiser said.

Mr. Archer expressed concern that the green area would "create a nuisance." Chief Eufemia was consulted and said that Dranoff is talking of including onsite security, which should alleviate any problem. He added that, if the Greenway is Borough property, the police department would patrol it.

"We don't want to be Philadelphia," Mr. Archer said, and asked how much profit Dranoff is anticipating from the project, noting that "the prior developer had to show that." Mr. Zaiser said, "What's important to think about is how long it's taken us to get to this point." Mr. Archer questioned why 98 units was unacceptable but 143 units may be. "I don't see a difference between one developer and another," he said, "and there's a big distance between the two." Mr. Zaiser explained that, when they looked at this project, they felt that the residential density was a good idea from the Borough's standpoint. He said that New Jersey's population is expected to increase by 20% within the next 25 years, and "we need to come to grips with how to handle that. This is a site that could handle a reasonable amount of density. Here is an opportunity to create density that would help the retail district."

Mayor Patten noted that this is a *conceptual plan only*. It will continue to grow and change, and there will be "a lot of pros and cons." "Don't kill anything," he said. "Give it a chance."

Mike Vanderbeck said that the concept of creating a "mini-community" with its own security and concierge seems to make it isolated rather than "connected" to the rest of the community. "Are those concepts at odds?" he asked. "Somewhat," Mr. Sherman replied. "On the one hand, we want to limit access. On the other, we want to allow it. It's a good point and needs to be worked at." Mr. Zaiser said that he fully expects that those who buy there would buy due to its connection to the downtown area. The building would be isolated, he said, but the green space would be public.

Kathy Patten noted that many of Dranoff's other projects are in urban centers, and asked if they have done projects in small towns. Mr. Sherman replied that they have done projects in areas such as Maniunk and Venice Island.

Eugene Sarafin said that he was "impressed," and asked what the total project value would be. "At least \$40 million," he was told. Mr. Sarafin then calculated that taxes on the project would be about \$700,000 per year and asked if Dranoff is interested in a PILOT. "We don't know that much about it," Mr. Sherman replied. Mr. Sarafin recommended that they include a parking garage in their plans. Mr. Zaiser noted that these are expensive, costing in the neighborhood of

\$20,000 to \$25,000 per space. Mr. Sarafin asked them to consider it nevertheless, and suggested that the Borough could negotiate an arrangement that would allow a portion of it to be dedicated for municipal use.

Torry Watkins said that he was happy to see fresh ideas, but asked, "Why now?" The fact that the Borough is interested in adaptive reuse of the Mill property has been well known for three years, he said. Mr. Zaiser stated that the Borough had until recently a "well-known relationship with another developer."

Glenn Palmer noted that there seems to be a lot of roof space and asked if Dranoff would give consideration to using passive solar energy. Mr. Zaiser said that they haven't gotten to that kind of detail, and they haven't done this elsewhere. Mr. Sherman noted that they "will always consider a green building," and are very much aware of soaring energy costs.

A resident who did not identify himself asked about the environmental impact on Rocky Brook of a new, large volume of impervious coverage. Mr. Zaiser said that, for that reason, they have attempted to "keep it as green as possible along Rocky Brook." The prior schemes, he said, didn't do that. Mr. Sherman noted that they would have an obligation to provide a study of where the water would go, and would need to hire a civil engineer. "We won't start without it," he said. "The developer and the community should be partners in this."

Ms. Bottino asked if Dranoff has a range that they would consider with respect to the number of units. "What is the bottom number?" she asked. Mr. Sherman stated that they did a study and this is the density that works best, "but," he said, "we're hearing so much from you that we have to either drop the density or convince you to stay with it." He said that they would need to "rethink" this.

Rob Thibault asked about the "general demographic mix" in projects like this. Typically, Mr. Zaiser replied, these projects attract couples with double incomes and no children.

Francis Cook stated that this proposal "has shown some vision." It has taken Hightstown into consideration, she said, and is trying to enhance it. She said that it has been shown that 80 units is not feasible, and must be rethought. "The thought process here," she said, "is remarkable."

Matt Cuddy stated, "we all have different ideas about what is wrong with density. My problem is that there is too much asphalt with the needed parking.... We should be checking with ourselves about what is wrong is density. We don't want an urban experience, but if we have a pleasant space that will support our retail, maybe we can still entertain it a bit further."

Lawrence Jones asked if there is less retail in this proposal than in Greystone's. It was confirmed that there is. Francis Cook pointed out that the retail space on Bank Street that was included in the prior proposal "creates more traffic woes than benefits."

Mr. Sarafin said that he is concerned, since condos are essentially apartments, that we will "end up with an apartment house that deteriorates. Investors will buy them and rent them out." Mr. Sherman said that they deal with this in all of the condos they build. The problem, he said, is not investors, but "flippers," so they are writing into the contracts that the buyer may not sell the unit, except back to the developer, for the first 18 months. It was suggested by Jeff Bond that the condo association could include in its bylaws a provision that one may not own more than one unit.

Mr. Archer questioned the \$300,000 price tag, noting that larger units in Wyckoff's Mill are selling for between \$230,000 and \$260,000. Mr. Sherman replied, "I think we put out a product that is better than anyone else's." He noted that the Wyckoff's Mill units are older, and that his condos will have granite countertops and wood floors.

Mayor Patten thanked the Dranoff representatives for their proposal and declared a ten minute recess.

The meeting resumed at 9:00 p.m.

Mr. Raffetto stated that Council has had the opportunity to hear Dranoff's presentation, and a number of items "need to be fine-tuned," such as affordable housing, environmental costs, the size of the municipal building and costs associated with acquiring the property. Previously, he said, Council had referred the prior developer to its redevelopment subcommittee to review all aspects of that proposal. Council may wish now to refer this proposal to the subcommittee "to roll up their sleeves and have discussions with Dranoff and bring something back to council as a recommendation." Associated with that, he said, will be expenses. If Council wishes to refer this to the subcommittee, he said, we would have to establish some type of funding mechanism. The RFP indicated that the successful redeveloper would be responsible for reimbursing the Borough for its costs, or we could ask the potential redeveloper to post funds upfront.

Councilmember Sikorski recommended that, if Council wishes to undertake a comprehensive review of this proposal, the Borough enter into a memorandum of understanding with Dranoff to fund the cost of our professionals. He noted that Council indicated at the time of the RFP that they would not disqualify the prior candidate, and would welcome further discussions with that candidate as well. Mr. Raffetto stated, regarding the amount to be requested, that he discussed this with the Borough Administrator and \$20,000 should be required.

Mayor Patten noted that this developer will need some time to get more information together, and we should grant them that before going further. With Greystone, he said, we found that changes had to be made to the concept as we went along. "We have to make sure that the public understands that this keeps evolving," he said.

Councilmember Thompson stated that the presentation by Dranoff "was an essential step toward naming a redeveloper, regardless of who it is." The goal in issuing the RFP, he said, "was to see if we can find a better proposal or whether Greystone's proposal is the best. This was an important first step." He added that he was "glad we didn't end up throwing the Dranoff proposal into the garbage" and said that it is important to refer this to the subcommittee and initiate whatever funding dialogue and agreement that we need in order to do that. "Whatever we can do to move along with urgency we should do," he said.

Mayor Patten noted that, if we want to continue our dialogue with Greystone, we will have "two things on the scale at once, comparing them."

Council President Schneider stated that, after this presentation, Dranoff will probably have new information of their own to collect, and entering into a Memorandum of Understanding with them at this time would be premature. There are lots of questions this developer has as to the specifics of this site, he said, and added, "I'd welcome the time to allow this new information to sink in, sleep on it, and hear from the public. Sending this to the subcommittee with certain information still not available is really asking this developer to put money up when I don't think there is anything to be gained by us at the moment."

Councilman Thompson asked Mr. Raffetto to comment. Mr. Raffetto said that Council President Schneider brings up a good point and suggested that Council may want to wait until the next meeting to approve an MOU. "All are anxious," he said, "but it may be premature to reconvene the subcommittee when we don't have all the answers just yet." Councilman Thompson asked, "if they're willing to put up the money, wouldn't that show that they are comfortable, even with 'blind spots?'"

Councilmember Sikorski stated that he would agree with Council President Schneider and that the Borough should wait. He noted that the Redevelopment Plan states that the recommended number of units can be changed "upon the recommendation of the Planning Board," and we have two proposals, neither of which is congruent with our adopted Plan. "The Planning Board," he said, "should have to go back to the drawing board and reconstitute the original ordinance, which is our guiding document for all of the action we're taking. Once that is done, then both developers would have something concrete." This would also allow Dranoff time to review their numbers, he said. Mayor Patten

agreed, adding that it is "important to develop a plan that is do-able. What the Planning Board would recommend to Council would have to be based on the most current market analysis. That changes. The Planning Board has to spend some time to look at what the town needs. The onus is on them."

Councilman Thompson stated that he is "sensitive to anything that slows the process," and he does not see the downside to proceeding as long as the developer is willing to put up the funds.

Mr. Raffetto suggested that Council might wait until the next meeting in order to give the Borough an opportunity to speak to Dranoff to determine if they will commit that funding. An MOU would need to be approved by Resolution of Council, and would be non-binding upon the Borough. Mayor Patten recommended that Dranoff be given time to do their own research. Councilman Thompson disagreed, saying "put the ball in their court."

RESOLUTION 2006-108, RESOLUTION TO REFER ADOPTED REDEVELOPMENT PLAN TO BOROUGH PLANNING BOARD FOR REVIEW AND RECOMMENDED REVISIONS

Regarding referring the original Redevelopment Plan back to the Planning Board, Mr. Raffetto stated that Council is empowered to do so, and any proposed amendments to the plan must be referred to them. This is separate from the review of the proposal, he said, and Council may want to take action at this meeting to do that. Councilmember Sikorski agreed, and encouraged Council to take action at this meeting to refer the Redevelopment Plan back to the Planning Board for review. This, he said, would make it easier for both developers. He then moved a Verbal Resolution to do so, which would be reduced to writing and numbered as Resolution 2006-108. Council President Schneider asked Mr. Raffetto for confirmation that, if there is going to be a change to the plan, the Planning Board must, by statute, review it. Mr. Raffetto confirmed this, and Council President Schneider then seconded the motion. Councilman Thompson suggested that the Dranoff proposal could also be referred to the Planning Board, and an MOU with them approved at this meeting, subject to their posting the funds.

After considerable further discussion, the roll was called on Resolution 2006-108.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Resolution adopted, 6-0.

RESOLUTION 2006-108 RESOLUTION TO REFER ADOPTED REDEVELOPMENT PLAN TO BOROUGH PLANNING BOARD FOR REVIEW AND RECOMMENDED REVISIONS

WHEREAS a recent market study commissioned by the Borough indicates that the Borough's adopted Redevelopment Plan for the Bank Street sub-area may not be feasible for developers; and

WHEREAS input and proposals subsequently received from Greystone Mill, LLC and Dranoff Properties would appear to substantiate this finding; and

WHEREAS N.J.S.A. 40A:12A-7(f) provides that the governing body of a municipality may direct the planning board to prepare a redevelopment plan or an amendment or revision to a redevelopment plan for a designated redevelopment area, to be transmitted to the governing body for its adoption;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that the Borough Council hereby requests that the Planning Board review the Borough's Redevelopment Plan, as adopted on September 7, 2004, and submit to the Borough Council their recommended revision(s) thereto.

**RESOLUTION 2006-109, A RESOLUTION AUTHORIZING THE BOROUGH OF HIGHTSTOWN TO ENTER INTO A
MEMORANDUM OF UNDERSTANDING WITH DRANOFF PROPERTIES, INC., REGARDING THE
POSTING OF ESCROW FUNDS FOR REVIEW AND EVALUATION OF A PROPOSAL SUBMITTED FOR
REDEVELOPMENT OF THE BANK STREET REDEVELOPMENT AREA WITHIN THE BOROUGH**

Councilman Thompson asked Mr. Raffetto what the Borough would be looking to accomplish by asking the subcommittee to review the Dranoff proposal. Mr. Raffetto replied that the review would include a review of parking and site issues as well as financial issues, and would be part of the Borough's "due diligence." Councilman Thompson said that it seems clear to him that it would be advantageous for the Borough to be doing this as soon as possible. He asked what the downside would be. Mr. Raffetto stated that, assuming that they are willing to provide the funding, there is no downside.

Councilman Thompson then moved a verbal Resolution to authorize the Borough to enter into an MOU with Dranoff Properties, subject to their posting \$20,000 in escrow funds. Councilmember Sikorski said that he is not opposed to the MOU, but feels that it should not be consummated, or much subcommittee time spent on this, until the Planning Board has made its recommendations. Councilman Thompson noted that this review would include an analysis of Dranoff's fiscal solvency. Council President Schneider said that he "would be in favor of seeing as soon as possible whether anyone coming to us is qualified, as long as it is not at our cost."

The roll was called on Resolution 2006-109.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Resolution adopted, 6-0.

**RESOLUTION 2006-109 A RESOLUTION AUTHORIZING THE BOROUGH OF HIGHTSTOWN TO ENTER INTO A
MEMORANDUM OF UNDERSTANDING WITH DRANOFF PROPERTIES, INC., REGARDING THE
POSTING OF ESCROW FUNDS FOR REVIEW AND EVALUATION OF A PROPOSAL
SUBMITTED FOR REDEVELOPMENT OF THE BANK STREET REDEVELOPMENT AREA
WITHIN THE BOROUGH**

WHEREAS, Dranoff Properties, Inc. ("Dranoff") has submitted a proposal dated March 13, 2006 (the "proposal") to be designated as the official redeveloper of the Bank Street Redevelopment Area within the Borough, which Area is also known and identified as Sub-Area I in the Borough's Redevelopment Plan adopted on September 7, 2004; and

WHEREAS, the Borough is in the preliminary stages of the redevelopment process, and has not yet determined to designate any particular developer as the official redeveloper for any properties within the Borough's redevelopment areas; and

WHEREAS, in order to facilitate the Borough's review and evaluation of the proposal, Dranoff has agreed to deposit certain funds with the Borough and to permit the Borough to utilize said funds to pay for the reasonable costs and expenses incurred by the Borough in performing all necessary due diligence efforts in connection with reviewing and evaluating the proposal; and

WHEREAS, such costs may include the fees of all professionals retained by the Borough, as well as any actual out-of-pocket expenses incurred, which are reasonable and necessary in order to facilitate a reasonable and adequate review and evaluation of the proposal by the Borough; and

WHEREAS, it is the intention that such funds shall be placed into a separate account maintained by the Borough, in accordance with all applicable requirements of the State Division of Local Government Services, and specifically utilized to pay for the fees and costs referenced above; and

WHEREAS, Dranoff has agreed to contribute these funds for the uses referenced above, at its own risk, and the Borough is under no obligation to designate Dranoff as the official redeveloper of the Bank Street Redevelopment Area within the Borough, following the completion of the Borough's review and evaluation of the proposal; and

WHEREAS, Dranoff and the Borough have set forth their respective rights and responsibilities in and to these matters in the attached Memorandum of Understanding.

NOW, THEREFORE, BE AND IT IS HEREBY RESOLVED, by the Borough Council of the Borough of Hightstown, in the County of Mercer and State of New Jersey, as follows:

1. That the Borough is authorized to enter into the attached Memorandum of Understanding with Dranoff for the purposes referenced above.
2. That the Mayor is authorized to execute and the Municipal Clerk to attest the said Memorandum of Understanding on behalf of the Borough.
3. That all Borough Officials and employees are hereby authorized and directed to undertake all actions that are necessary in order to fulfill the intentions of this Resolution and the attached Memorandum of Understanding.
4. That the Borough recognizes that the Borough is under no obligation to designate Dranoff as the official Redeveloper of the Bank Street Redevelopment Area, notwithstanding Dranoff's posting of the escrow funds referenced herein, and that Dranoff is posting the said funds entirely at its own risk.
5. That a certified copy of this Resolution shall be provided to each of the following:
 - a. George Lang, Borough Chief Financial Officers
 - b. Arlene O'Rourke, Borough Treasurer
 - c. Candace Gallagher, Business Administrator
 - d. Dranoff Properties, Inc.
 - e. All members of the Borough's Redevelopment Subcommittee
 - f. Frederick C. Raffetto, Borough Attorney

MEMORANDUM OF UNDERSTANDING

WHEREAS, Dranoff has submitted a proposal dated March 13, 2006 (the "proposal") to be designated as the official redeveloper of the Bank Street Redevelopment Area within the Borough, which Area is also known and identified as Sub-Area I in the Borough's Redevelopment Plan adopted on September 7, 2004; and

WHEREAS, the Borough is in the preliminary stages of the redevelopment process, and has not yet determined to designate any particular developer as the official redeveloper for any properties within the Borough's redevelopment areas; and

WHEREAS, in order to facilitate the Borough's review and evaluation of the proposal, Dranoff has agreed to deposit certain funds with the Borough and to permit the Borough to utilize said funds to pay for the reasonable costs and expenses incurred by the Borough in performing all necessary due diligence efforts in connection with reviewing and evaluating the proposal; and

WHEREAS, such costs may include the fees of all professionals retained by the Borough, as well as any actual out-of-pocket expenses incurred, which are reasonable and necessary in order to facilitate a reasonable and adequate review and evaluation of the proposal by the Borough; and

WHEREAS, it is the intention that such funds shall be placed into a separate account maintained by the Borough, in accordance with all applicable requirements of the State Division of Local Government Services, and specifically utilized to pay for the fees and costs referenced above; and

WHEREAS, Dranoff has agreed to contribute these funds for the uses referenced above, at its own risk, and the Borough is under no obligation to designate Dranoff as the official redeveloper of the Bank Street Redevelopment Area within the Borough, following the completion of the Borough's review and evaluation of the proposal; and

WHEREAS, Dranoff and the Borough wish to set forth their respective rights and responsibilities in this Memorandum of Understanding.

NOW, THEREFORE, IT IS HEREBY AGREED, by and between the parties, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, as follows:

1. Dranoff agrees to deposit the sum of \$20,000.00 with the Borough, which funds shall be placed into a separate escrow account, to be maintained in accordance with all applicable requirements of the State Division of Local Government Services, in order to cover reasonable and necessary fees and costs incurred by the Borough relative to the Borough's review and evaluation of the proposal. The purpose of this Memorandum of Understanding is to memorialize the terms and conditions under which the Borough shall agree to hold and disburse funds posted by Dranoff.

2. The Borough agrees to hold such funds in a separate interest bearing escrow account, in accordance with all applicable requirements of the State Division of Local Government Services. The Borough agrees that it shall only make disbursements from said account in accordance with the terms and conditions of this Memorandum of Understanding.

3. The funds referenced in Paragraph 1 above shall be utilized by the Borough to cover the costs and expenses associated with the Borough's review and evaluation of the proposal, and for no other purpose. Such costs and expenses shall include the payment of fees of Borough professionals and/or any other costs and expenses deemed reasonably necessary and appropriate by the Borough in order to facilitate this due diligence process. The funds shall not be used to pay for any municipal clerical or administrative functions, overhead expenses, meeting room charges, or any other municipal costs and expenses, except as specifically provided herein, and no municipal professional shall add such charges to his/her bill.

4. Dranoff agrees that Borough professionals shall be compensated at their normal hourly rate(s) as approved by the Borough, pursuant to contracts entered into with and retained by the Borough.

5. On a monthly basis, the Borough shall forward informational copies of all invoices submitted by municipal professionals for redevelopment matters intended to be charged to the Dranoff escrow account, together with a statement showing an accounting of funds in the escrow account, including all deposits, interest earnings, disbursements and the cumulative balance of the account. If Dranoff has an objection to any charges contained in any invoices submitted to it, Dranoff must notify the Borough of such objection within seven (7) days of receipt of such notification, or else Dranoff shall be deemed to have approved the disbursement of funds necessary to satisfy said invoices out of the escrow account, and payment will be made by the Borough accordingly.

6. The parties agree that, once the amount deposited by Dranoff drops to \$5,000.00, the Borough shall notify Dranoff of such in writing, and the Borough shall advise Dranoff as to whether it is reasonably anticipated that funding in excess of that amount will be required in order for the Borough to complete its review and evaluation of the proposal. If so, then the Borough shall advise Dranoff to post additional funds at that time for this purpose. Upon Dranoff's receipt of such written notification, Dranoff shall immediately replenish the account with such amount of funds as requested by the Borough within ten (10) days of receipt of such written notification. If there is a dispute between the parties as to the amount of additional required funding, and if this dispute is incapable of being resolved by the parties in an amicable fashion, then the parties may terminate their relationship with each other as of that time, with no further obligations to each other. In such case, the Borough shall itemize all Borough expenses incurred through the date of termination of the relationship and pay such expenses out of the escrow account, and return any amount(s) left in the escrow account to Dranoff, including accumulated interest thereon. If there is a deficiency in covering the expenses which were reasonably and in good faith incurred by the Borough through the date of termination of the relationship out of what remains in the escrow account, then Dranoff shall remain fully liable to repay the Borough for all such costs.

7. If Dranoff is formally designated to be the Redeveloper of the Bank Street Redevelopment Area within the Borough, then the parties shall negotiate a new agreement governing the posting and use of additional escrow funds at that time. In the event that Dranoff is not formally designated to be the Redeveloper of the Bank Street Redevelopment Area in the Borough, then within fourteen (14) days of the Borough's decision, the municipal professionals shall render final invoices to the Borough, whereupon the Borough shall render a written final accounting to Dranoff on the uses to which the escrow funds were put within fourteen (14) days of said final invoices and refund any balance remaining in the escrow account to Dranoff, including accumulated interest thereon.

8. Dranoff acknowledges and understands that the Borough is under no obligation to officially designate Dranoff to be the Redeveloper of the Bank Street Redevelopment Area within the Borough, and the posting of escrow funds as set forth in this Memorandum of Understanding is without prejudice to the Borough's right to designate any appropriate Redeveloper(s) in accordance with the governing body's determination(s) as to the best interests of the Borough.

9. The Borough shall be permitted to retain an administrative fee associated with the monitoring of the escrow account in the amount of one percent (1%) of the total amounts of funds posted by Dranoff.

PURCHASE OF FIRE TRUCK – *HIGHTSTOWN ENGINE CO. NO. 1*

Fire Chief John Archer referred to the Fire Company's presentation in November regarding the need for a new fire truck. The new development we are considering, he said, emphasizes that need. Chief Archer explained that there will be changes to requirements for emission controls in 2007, and they would like to initiate the purchase during 2006, as it is likely to be less expensive. He noted that a lease purchase would be available for this truck. One option would actually delay the first lease payment until May 1, 2007 and another until May 1, 2008. Chief Archer requested that Council approve the solicitation of bids (Resolution 2006-100 on this agenda) so that the Borough can move forward with this.

Councilmember Harinxma stated that she and two other Council members met with Chief Archer about this. He has done a great deal of research, she said, and she supports the purchase. "It is very important to the town," she said, "and, given the timeline, we really need to consider moving ahead."

Council President Schneider asked if leasing the truck would allow the Borough to remove the \$30,000 capital downpayment from its budget. Ms. Gallagher stated that she would want to speak with the Chief Financial Officer about that, but it *may* be possible, depending on how the bids come in.

Chief Archer stated that two companies have offered a \$15,000 incentive if the Borough were to allow their truck, once built, to be used as a demo for six months. There would be a maximum of 15,000 miles placed on the vehicle under that plan, and the Borough would receive the full warranty from when it takes delivery. Council President Schneider asked how old our existing truck is and how many miles it has been driven. It is a 1979 vehicle with approximately 27,000 miles on it, Chief Archer said. Council President Schneider stated that, being that the Borough does not put a lot of miles on its truck, he is not too concerned about mileage.

It was noted that equipment on the current Telesquirt truck would be transferred to this truck.

RESOLUTION 2006-100, AUTHORIZING RECEIPT OF BIDS

Resolution 2006-100 was moved by Councilmember Harinxma and seconded by Councilmember Quattrone.

Councilman Quattrone stated that he attended the meeting with Chief Archer. The existing truck is 26 years old, he said, and in the eyes of insurance companies, is obsolete. If the Borough elects to keep it, he said, it would begin to affect homeowner's insurance rates. Mr. Quattrone said that he expects the State to extend the emissions requirements, but the safety aspect here is critical. The new truck will have more room to carry equipment and will reduce our liability. "It's a bad year," he said, "and we still have to refer this to our CFO, but it is time to move forward."

Mayor Patten noted that Chief Archer is being proactive, and Councilmember Sikorski commended the Chief and the Fire Company for doing their prior presentation and allowing enough time for Council members to reflect on this, as well as for offering Council members the opportunity to see the truck itself.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Resolution adopted, 6-0.

RESOLUTION 2006-100 AUTHORIZING RECEIPT OF BIDS FOR FIRE TRUCK

BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that the Borough Administrator is hereby authorized to prepare specifications and advertise for bids for the purchase or lease of a first responder fire truck, and that the Borough is authorized to receive bids for same following proper advertisement.

PUBLIC COMMENT I

Mayor Patten opened the floor for public comment.

Nancy Walker-Laudenberger, Planning Board member, noted that, in order for the Planning Board to do “due diligence” in reviewing the Redevelopment Plan, it will likely require two meetings (in May and June). “We already have a full agenda for May,” she said. “As important as it is, we still can’t have the redevelopment process supersede our standard Planning Board meeting.” Mayor Patten noted that the Planning Board could schedule extra meetings if necessary.

Charles Cohen, East Windsor taxi operator, said that Council has received emails and letters pertaining to our current taxi ordinance, and he is aware that changes are being researched. “Not every town has a taxi ordinance,” he said, “but every taxi must be licensed to get State approval. To require a license in every town is insane, and is a repetition of requirements.” He said that residents should be allowed to use whatever taxi company they wish and that the Borough’s existing ordinance “sends a message that it’s okay to drink and drive.” Mr. Cohen said that the towns he is licensed in have ordinances that meet or exceed the Borough’s requirements and recommended that the Borough cease enforcing its ordinance until a decision is reached.

Rick Pratt, 214 Stockton Street, expressed support for vacation of the right-of-way that would transfer rights to the area in question at Mercer Street and Rogers Avenue to Mike Vanderbeck at the Slowdown Café. “It will add a little ratable,” he said, “but more importantly, will add to Mike’s ability to enforce the area.” There are a lot of people there in the evening, he said, with the potential for things getting out of hand. “Mike has done a great thing for that corner,” he said, “and for the downtown with the Slowdown.” This, Mr. Pratt said, would give him more control over it.

Eugene Sarafin, 600-628 South Main Street, said that he is disappointed that Council keeps referring redevelopment proposals to the subcommittee. “\$200,000 in legal and engineering fees is absurd,” he said. Mr. Sarafin went on to say that it is not a good idea for Councilmembers to tell the press that they are not interested in sharing police services with East Windsor, because then they will not be willing to negotiate with us. He said that those meeting with East Windsor should be prepared with information regarding how much the Borough currently spends each year and that he would like to see a discussion of shared court services as well.

No one else came forward and the floor was closed.

ORDINANCES

INTRODUCTION AND FIRST READING: ORDINANCE 2006-10,

AN ORDINANCE OF THE BOROUGH OF HIGHTSTOWN PROVIDING FOR THE PROCEDURES FOR APPLICATION, APPROVAL AND ADMINISTRATION OF TAX EXEMPTION AND ABATEMENT AGREEMENTS

Mr. Raffetto provided a brief overview of Ordinance 2006-10, which was drafted by the Borough’s Bond Counsel as the first step in moving forward with the tax abatement process. He noted that additional ordinances would be necessary on

a case-by-case basis for any developer wanting to take advantage of this. This ordinance merely sets the parameters for the process. He and Ms. Gallagher had several conversations with Kevin McManimon, he said, and the ordinance is now ready for consideration on first reading.

Councilman Thompson asked if this is a necessary precursor to a PILOT program. Mr. Raffetto replied that it is, and noted that developers would not be *required* to participate in such a program. Council President Schneider asked if the Ordinance could be amended to apply also to single family residences. Mr. Raffetto stated that he did not believe that the 5-year exemption and abatement law, upon which this Ordinance is based, applies to single family residences. After brief further discussion, the Ordinance was moved by Councilmember Sikorski and seconded by Council President Schneider.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Ordinance introduced, 6-0.

CONSENT AGENDA

At the request of Councilmember Sikorski, Resolution 2006-104 was pulled for separate consideration.

Resolutions 2006-101, 102, 103, 105 and 106 were moved by Councilmember Sikorski and seconded by Council President Schneider.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Resolutions adopted, 6-0.

RESOLUTION 2006-101 AUTHORIZING PAYMENT OF BILLS

WHEREAS, certain bills are due and payable as per itemized claims listed on the following schedules, which are made a part of the minutes of this meeting as a supplemental record;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that the bills be paid on audit and approval of the Borough Administrator and the Treasurer in the amount of **\$521,201.25** from the following accounts:

Current	\$ 326,923.69
W/S Operating	151,286.28
General Capital	500.00
Animal Control Account	470.00
Trust	955.00
Public Defender	100.00
Grant	4,995.00
RCA COAH Escrow	900.00
Escrow-Subdivision & Site Plan (First Washington Bank)	35,071.28
Total	<u>\$521,201.25</u>

RESOLUTION 2006-102 AUTHORIZING EMERGENCY TEMPORARY APPROPRIATIONS PRIOR TO ADOPTION OF THE 2006 BUDGET

WHEREAS, an emergent condition has arisen with respect to inadequate appropriation balances remaining in some line items of the 2006 temporary budget; and

WHEREAS, N.J.S.A. 40A:4-20 provides for the creation of emergency appropriations for the purposes above mentioned; and

WHEREAS, it is the desire of the Mayor and Council to create emergency temporary appropriations as set forth on Schedule "A," attached; and

WHEREAS, the total emergency temporary appropriations in resolutions adopted in the year 2006 pursuant to the provisions of N.J.S.A. 40A:4-20 (Chapter 96, P.L. 1951, as amended), including this resolution, total:

	<i>THIS RESOLUTION</i>	<i>PREVIOUS TOTAL</i>	<i>CUMULATIVE TOTAL</i>
Current	40,650.00	1,044,837.00	1,085,487.00
Capital Outlay – Current	0.00	0.00	0.00
Debt Service - Current	0.00	127,207.00	127,207.00
Water/Sewer	5,705.00	342,191.06	347,896.06
Capital Outlay – W/S	0.00	0.00	0.00
Debt Service - W/S	0.00	591,550.00	591,550.00
TOTAL	46,355.00	2,105,785.06	2,152,140.06

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Hightstown (not less than two-thirds of all the members of thereof affirmatively concurring) that, in accordance with N.J.S.A. 40A:4-20:

1. An emergency temporary appropriation is hereby made for each item listed on the schedules that are attached hereto and made a part hereof.
2. Each emergency appropriation listed will be provided for in the 2006 budget under the same title as written herein;
3. One certified copy of this resolution will be filed with the Director of Local Government Services, and a copy provided to the Treasurer.

RESOLUTION 2006-103 SUPPORTING THE "CLICK IT OR TICKET" MOBILIZATION OF MAY 22 – JUNE 4, 2006

WHEREAS there were 757 motor vehicle fatalities in New Jersey in 2005; and

WHEREAS a large percentage of the motor vehicle occupants killed in traffic crashes were not wearing a safety belt; and

WHEREAS use of a safety belt remains the most effective way to avoid death or serious injury in a motor vehicle crash; and

WHEREAS the National Highway Traffic Safety Administration estimates that 135,000 lives were saved by safety belt usage nationally between 1975 – 2000; and

WHEREAS the State of New Jersey will participate in the nationwide *Click It or Ticket* safety belt mobilization from May 22 – June 4, 2006 in an effort to raise awareness and increase safety belt usage through a combination of enforcement and education; and

WHEREAS the Division of Highway Traffic Safety has set a goal of increasing the safety belt usage rate in the state from the current level of 86% to 88%; and

WHEREAS a further increase in safety belt usage in New Jersey will save lives on our roadways;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that Hightstown Borough declares its support for the *Click It or Ticket* safety belt mobilization both locally and nationally from May 22 – June 4, 2006 and pledges to increase awareness of the mobilization and the benefits of safety belt use.

RESOLUTION 2006-105 AUTHORIZING MAYOR TO SIGN TREATMENT WORKS APPROVAL PERMIT APPLICATION AND CONSENT FORMS FOR INSTALLATION OF A SEPTAGE ACCEPTANCE UNIT AT THE ADVANCED WASTEWATER TREATMENT PLANT

WHEREAS, there is a need to install a septage acceptance unit at the AWWTP to process septic waste; and

WHEREAS the NJDEP requires that a Treatment Works Approval permit be obtained to install the septage acceptance unit and that Statements of Consent be submitted with the TWA permit application;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that Mayor Robert Patten is hereby authorized to sign the required NJDEP TWA permit application and statements of consent, a draft

**RESOLUTION 2006-106 AUTHORIZING PURCHASE OF ALGAE SWEEP SYSTEM FOR USE AT THE ADVANCED
WASTEWATER TREATMENT PLANT**

WHEREAS the Superintendent of the Advanced Wastewater Treatment Plant has recommended that an algae sweep system be installed to automate cleaning of the algae in the activated sludge tanks; and

WHEREAS the Borough Engineer and the Water-Sewer Committee have reviewed and concur with his recommendation; and

WHEREAS the AWWTP Superintendent has solicited competitive quotes for this equipment, and has recommended that the firm providing the lowest quote, Solar Environmental Services of South Houston, Texas, be engaged to furnish and install the equipment for the total price of \$20,990.00, as set forth on their proposal which is attached hereto and made a part hereof; and

WHEREAS funds for this expenditure are available in Bond Ordinance 2006-06, adopted on February 21, 2006;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that purchase and installation of an algae sweep system from Solar Environmental Services of South Houston, Texas, for a total price of \$20,990.00 as set forth on their proposal which is attached hereto and made a part hereof, is hereby approved, and the Advanced Wastewater Treatment Plant Superintendent and Borough Administrator are authorized to take whatever steps are necessary in order to proceed with this installation.

Resolution 2006-104 was moved by Councilmember Sikorski and seconded by Councilmember Quattrone. Councilmember Sikorski asked Ms. Gallagher for clarification regarding the Mercer County HOME program. She explained that the Borough has participated in this program for years, and this does not represent any obligation or cost to the Borough. In order to qualify for funding under this program, a municipality or consortium of municipalities must have a minimum "critical housing need" of \$500,000. As Trenton is the only municipality in the county that qualifies, the others join together to create a consortium that meets the qualification, and funds are then available to each.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Resolution adopted, 6-0.

**RESOLUTION 2006-104 AUTHORIZING THE MAYOR AND CLERK OF THE BOROUGH OF HIGHTSTOWN TO EXECUTE
AN AGREEMENT FOR CONTINUED PARTICIPATION IN THE HOME INVESTMENTS
PARTNERSHIPS PROGRAM CONSORTIUM WITH THE COUNTY OF MERCER**

WHEREAS, the HOME Investment Partnerships Program seeks to expand the supply of decent and affordable housing, particularly rental housing, for low and very low income Americans; and,

WHEREAS, the HOME Investment Partnerships Program seeks to strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing; and,

WHEREAS, the HOME Investment Partnerships Program seeks to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing; and,

WHEREAS, the HOME Investment Partnerships Program provides state and local governments with the flexibility to decide what kind of housing assistance is most appropriate for meeting their housing needs; and,

WHEREAS, the HOME Investment Partnerships Program encourages state and local governments to use HOME funds efficiently and to undertake the most cost-efficient housing activities requiring the smallest state and local matching contributions for Federal funds; and,

WHEREAS, in order to qualify for funding under this program, a municipality or consortium of municipalities must have a minimum "critical housing need" of \$500,000.00; and,

WHEREAS, the City of Trenton is the only municipality within Mercer County eligible on an independent basis for HOME Investment Partnerships Program funds; and,

WHEREAS, the remaining Mercer County municipalities interested in participating in the HOME Investment Partnerships Program must pool together a consortium to be eligible for funding; and,

WHEREAS, there is no cost to municipalities to participate in the Mercer County HOME Investment Partnerships Program Consortium, aside from the required matching funds for any project a municipality may undertake; and,

WHEREAS, the Mercer County HOME Investment Partnerships Program Consortium would be a source of funding for a project the Borough of Hightstown may undertake in its own affordable housing program without requiring the Borough of Hightstown to undertake any specific projects; and,

WHEREAS, participation by the Borough of Hightstown in the Mercer County HOME Investment Partnerships Program Consortium would be beneficial to its relations with other Mercer County municipalities who, as a whole, would meet the eligibility requirements for participation in the HOME Investment Partnerships Program;

NOW THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that the Borough's participation in the Mercer County HOME Investment Partnerships Program Consortium is hereby endorsed; and,

BE IT FURTHER RESOLVED, that the Mayor and the Municipal Clerk are hereby authorized and directed to execute said Mercer County HOME Investment Partnerships Program Consortium Agreement.

UNFINISHED BUSINESS

TAXI ORDINANCE

Ms. Gallagher stated that her office has reviewed taxi ordinances from other Mercer County municipalities, and Hightstown's ordinance is not unique in its requirement that taxis operating within its borders be licensed by the municipality. It's also the rule in each Mercer County municipality that has a taxi licensing ordinance: East Windsor, West Windsor, Princeton Borough, Hamilton, Trenton, Ewing and Lawrence, and is, in fact, mandated by State statute, which provides that "no autocab shall be operated along any street in any municipality until the owner thereof shall obtain the consent of the elective governing body or member thereof having control of the public streets in the municipality." This regulation has existed in Hightstown since at least 1991, she said, and is not a new requirement. She noted that Johnny's Taxi and Mega Taxi (Hightstown firms) have applied for and been granted taxi licenses in East Windsor Township in order that they can pick up fares there.

Ms. Gallagher said that she and Chief Eufemia have discussed this and, If Council wishes to accommodate firms which are licensed in other towns, they would recommend that the Borough amend its ordinance to allow taxicabs and taxi drivers *licensed in and operating out of* East Windsor Township to obtain a license in Hightstown upon payment of the required fee and submission of copies of their East Windsor taxi license, driver's license, vehicle registration and proof of insurance. In addition, they would recommend that the requirement to place the words "Hightstown Borough, NJ" on each rear door be removed. That requirement was recently added, she said, and seems to be unique to Hightstown. They would *not* recommend that fees be reduced or that the licensing requirement be waived.

Council President Schneider suggested that the Borough accept credentials from taxi firms licensed in *any* Mercer County municipality rather than simply East Windsor. Ms. Gallagher noted that it would be good if there were reciprocity by the other towns.

Mr. Cohen spoke to note that East Windsor Township does not require fingerprinting, but other Mercer County towns which license taxis do. "West Windsor does all you're asking for," he said, adding that the only difference is that Hightstown limits taxicabs to being 10 years old or under, while in West Windsor, they will only license taxis that are seven years old and under. He recommended that the Borough consider changing its minimum insurance requirement. "Every other town requires \$450,000," he said. He also objected to the Borough's requirement regarding child safety seats, and claimed that no one will spend the time to readjust the seat for different size children, and as such, the seat does more harm to a child than not having one at all. Chief Eufemia vehemently disagreed, and said, "Borough ordinance is not going to supersede State law."

Councilman Quattrone stated that he was supportive of the changes recommended by Ms. Gallagher and Chief Eufemia, however, he feels that the insurance requirements need to be increased. It was generally agreed that an Ordinance would be drafted for introduction at the next meeting.

BOROUGH SUMMER SCHEDULE

Ms. Gallagher reviewed her recommendation, as discussed at the prior meeting, to undertake a pilot program in 2006 to expand Borough office hours during the summer to 6:30 p.m. on Monday, Tuesday and Wednesday and 5:30 p.m. on Thursday (or, alternatively, from 9:30 to 6:30 p.m. on Mondays, and 8:30 to 6:30 p.m. Tuesday, Wednesday and Thursday) and close the offices on Fridays. As previously noted, the change in hours would not affect police, dispatch or sewer plant workers and public works employees would be scheduled by the Superintendent according to the needs of the department. All employees would continue to work the same number of hours as they are currently working.

The benefits to this arrangement, Ms. Gallagher said, are:

- For employees:
 - Three day weekends during the summer and more uninterrupted time to spend with their families.
 - 20% savings in commuting time and costs. She noted that, for the eight administrative personnel who live more than 10 miles away, the average savings each week would be \$10 in gasoline and 45 minutes in time.
- For the public:
 - Extended hours of service on Monday through Thursday. She noted that, while those residents who would come to Borough Hall on Friday are just as likely to be able to get here during other days, the later hours would open Borough Hall to a new group of residents who have until now been unable to get here during their working hours.
- For the Borough:
 - An increase in employee morale and productivity.
 - Reduced absenteeism (because employees would be able to schedule personal business on Fridays).
 - Enhanced ability to attract and retain employees.
 - Possible cost savings by being "dark" for three consecutive days.
- For the environment:
 - A 20% reduction in emissions for those employees whose schedule would change. This, Ms. Gallagher said, is in line with the Borough's recent pledge under the U.S. Mayors Climate Protection Agreement to take proactive steps to reduce emissions.

In response to comments from the public at the last meeting, Ms. Gallagher stated that:

- During the late 1970s, East Windsor Township went to a four-day week in response to the fuel crisis. After five years, they went to a modified five day week, and eventually returned to a normal five-day week, although some departments continue to work the modified four-day week.
- The Borough's staff is not large enough to split the schedules so that some employees work Monday through Thursday and others work Tuesday through Friday.

Ms. Gallagher provided handouts to the Mayor and Council at this meeting from the Littleton, MA Electric Light and Water Department, Valley Metro of Phoenix, AZ, and the City of LaVerne, CA, each of which has successfully gone to a four-day work week with extended hours on the remaining days. The City of LaVerne (which has been doing this for 13 years) actually received an award from the Southern California Public Labor Relations Council for this move, which was lauded as the "most outstanding and innovative labor relations clause of the year."

She recommended that, if Council opts to proceed, the Borough publicize the change extensively.

Councilman Quattrone stated that he is "not yet convinced," and feels that the public expects offices to be open on Fridays. He expressed concern about overtime and said that he is not yet ready to make a decision.

Council President Schneider said that, as he has previously stated, he is aware that this is sometimes done and that it generally increases productivity. He said that he believes that there is some advantage from the public's point of view, and it does open Borough Hall to a new group of people. "There are pluses and minuses," he said, "and I'd like to review this until the next meeting."

Councilmember Sikorski stated that he would like to take more time to consider this before making a decision.

Councilman Thompson said that, while he first thought that this would be a good idea, he has since had second thoughts and would like more time to consider it.

Councilmember Harinxma said that she believes this is worth trying, and wants to read the materials presented that evening by Ms. Gallagher. "It's not something that can't be changed back if it doesn't work," she said, "and it might boost morale and productivity."

Councilmember Rosenberg said that he supports the concept at this time, but would like to review the materials presented by Ms. Gallagher.

PUBLIC COMMENT II

Mayor Patten opened the floor for public comment.

Jeff Bond, 210 South Main Street, said that he supports Mike Vanderbeck's request for vacation of the Borough right of way at Mercer Street and Rogers Avenue. "This is one of the advantages of having a small town," he said, "and another indication of something good that can happen."

Eugene Sarafin, 600-628 South Main Street, stated that Councilman Quattrone received property from the Borough at one time, and Mr. Quattrone corrected him, noting that the area referred to by Mr. Sarafin is a right of way. Mr. Sarafin said that the Borough "shouldn't be in the property business," and expressed support for Mr. Vanderbeck's request to vacate the Borough right of way.

Paul Byrne, 320 Stockton Street, also expressed support for Mr. Vanderbeck's request. "Mike does a great job at his coffee shop," Mr. Byrne said. He said that he had heard that it could appear, since Mr. Vanderbeck was very involved as

Council President with the downtown revitalization, that he would be "getting something another person wouldn't," and Mr. Byrne found that very upsetting. "I don't want that kind of negative gossip," he said. "I don't want him to look bad."

No one else came forward and the floor was closed.

EXECUTIVE SESSION

The Borough Clerk read aloud **Resolution 2006-107**, authorizing a closed session for the purpose of discussing contract negotiations. The Resolution was moved by Councilmember Sikorski and seconded by Councilmember Rosenberg.

Roll Call: Councilmembers Harinxma, Quattrone, Rosenberg, Schneider, Sikorski and Thompson voted yes.

Resolution adopted, 6-0.

RESOLUTION 2006-107 AUTHORIZING A MEETING WHICH EXCLUDES THE PUBLIC

BE IT RESOLVED by the Mayor and Council of the Borough of Hightstown that this body will hold a meeting on April 17, 2006 at approximately 10:35 p.m. at Borough Hall that will be limited only to consideration of an item or items with respect to which the public may be excluded pursuant to section 7b of the Open Public Meetings Act.

The general nature of the subject or subjects to be discussed:

Contract Negotiations – Transfer of Property

Stated as precisely as presently possible the following is the time when and the circumstances under which the discussion conducted at said meeting can be disclosed to the public: July 17, 2006, or when the need for confidentiality no longer exists.

The public is excluded from said meeting, and further notice is dispensed with, all in accordance with sections 8 and 4a of the Open Public Meetings Act.

Upon returning to open session, adjournment was moved by Councilman Quattrone, seconded by Councilman Thompson and unanimously approved. The meeting was adjourned at 11:05 p.m.

Respectfully submitted,

Candace B. Gallagher, RMC
Borough Clerk