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MINUTES FRANKLIN TOWNSHIP COMMITTEE/LAND USE BOARD JOINT MEETING THURSDAY, JULY 12, 2018 7:30 P.M.

Upon adjourning the regular Township Committee meeting, the Franklin Township Committee held a joint meeting with the Land Use Board at **7:30 P.M., Thursday, July 12, 2018** at the Municipal Building for the purpose of discussing matters related to the re-examination of the Master Plan, financial status of the township, and general discussion. This meeting has been properly noticed in accordance with the Open Public Meetings Act.

Mayor Craig Repmann called the meeting to order.

Roll Call: Joseph Darocha PRESENT Philip Koury PRESENT Susan Soloway PRESENT

Diane Burgess PRESENT Craig Repmann PRESENT

Also present: Katrina L. Campbell, Municipal Attorney

C. Richard Roseberry, Municipal Engineer Roger Thomas, Land Use Board Attorney Darlene Green, Municipal Planner

Land Use Board Chair Lisa Wood called their meeting to order.

Members present: Joseph Darocha, Lisa Wood, John Thonet, Ken Weiss, Jennifer Fisher, Susan Soloway, Michael Chabra, Roger Soltys, Erica Amon, Lou Moreira

Members absent: David Dallas

Mayor Repmann called on Cameron Keng, CFO, to talk about the financial condition of the township. He commented on the downturn in 2007 and 2008, property values decreased, less growth in the township with only 25 new homes being constructed over the last 10 years. Prior to this period, real estate was on the uprise giving the township more ratables and keeping the municipal tax flat or little increased. There were permitting fees which increased revenue. These conversations are to brainstorm ideas in how we can grow the township yet maintain the rural character. Cam is concerned about capital especially to maintain roads. We need to find new ratables to help the township grow or there'll be a need to raise taxes. The focus is to find ratables so the township can grow, whether it is commercial or by some other means. Over the next five years he said taxes will need to be increased. This is due to the fact that in past years much of the surplus was used to keep the municipal rate down. Several years ago the township had between \$3 and \$4 million dollars in surplus and today is just under \$1 million dollars. The auditors suggest the township maintain at least \$1 million in surplus. Currently the township has almost no debt. Deputy Mayor Burgess asked about debt in the past and Cam said it was significantly high. The township's annual budget is \$3.5 million. He also commented on funds used for open space projects. Open space projects have affected the current financial situation. Erica Amon asked how much surplus was being used to reduce taxes in the past and Cam said it was probably

between \$200,000 and \$300,000. Cam said on an annual basis between \$200,000 and \$250,000 should be budgeted to fund capital projects, especially road maintenance. This had not been done in the past. Currently the municipality keeps only 12.9 cents of the tax rate with 70 cents going to the local school. Jim Witkowski addressed conditions at the school and said there will always be recurring expenses for capital projects: roof repair/replacement, refurbishing the theater due to water damage, HVAC system. John Thonet said he would like to review the last ten years of financial history for the township: budgets, audits, financial statements. The school's debt for the expansion will be paid up in six or seven years. The Mayor recapped finances and said the joint discussion should center on how we can increase the township's ratables in order not to raise taxes for our residents. Deputy Mayor Burgess said that with the Master Plan the Committee has to look at both the municipality's issues along with the schools issues in order to plan. Decisions can't be made in isolation. Committee Member Koury said the Committee has no plan of its own but this open discussion is needed to brainstorm and focus on how to increase ratables without changing the rural character of the township and raising taxes. Ken Weiss commented on the school population and said that at less than 300 students, the school is not operating efficiently. The school can handle up to 450 students with no changes being made. If population continues to decline the school is probably looking at letting one teacher go each year to accommodate the lower enrollment. John Thonet commented on open space not requiring services and said it's the greatest tax stabilizer.

Deputy Mayor Burgess commented on open space and no additional homes built and no need for police, DPW or other services. However, the millennials are not moving out to this area because they want to be able to walk everywhere and not have a need for a car. In light of this, how does open space help us. Erica Amon commented that we already have police, fire and a school system that can handle more students than currently enrolled. She said the open space chase isn't working for us and we've been supplementing open space with our surplus. It's depleting us to the point where we have to make critical decisions right now in spite of the last 10 year's expenditures so that we are not in a dire position in the next 4 years. Mr. Thonet would still like to look at the financials and do an analysis on spending and revenue.

Committee Member Koury commented on increasing ratables and in order to maintain the services we have now, we'll have to have increases somewhere. We either have to increase ratables or raise taxes. Mr. Thonet said residential development on large lots will not allow us to make money. He talked about looking at an area to provide water and sewer and a higher density. Mr. Koury also commented on a limited staff doing several jobs and not having the checks and balances the auditors recommend. In order to remain competitive with benefits and salary the township needs to make these provisions. The Committee reduced the open space tax rate to one half of one cent this year to keep the municipal tax rate down but this is a sense of false security.

Roger Soltys brought up the affordable housing fee and the Municipal Planner was called on to explain those funds. Darlene Green, Municipal Planner, said that in years past the township took money out of the budget and put it in a separate line item reserved for anything affordable housing related. There is also a separate Affordable Housing Trust Fund which has numerous rules and regulations for use and is funded solely through new construction of homes and non-residential building. There was also some discussion about the affordable housing trust fund and those properties that have been designated for our COAH projects as part of the court settlement and the township not being able to "touch" these properties for any other use.

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Roger Soltys also commented on why the recent need to chip and seal Old Franklin School Road when the road was just recently paved in the last year. He thought the money should have been used to chip and seal another road in the township. He also asked why storm sewers were put in.

Jennifer Fisher commented on not only Franklin Township not drawing younger people but said this is a problem for the entire County. Decrease in enrollment is not just in Franklin but happening in the high schools and surrounding communities. What are we going to do that's going to change how people will decide on how they want their lifestyle to be? Erica Amon said we don't have inventory of homes to move into in Franklin Township for young couples who want to start a family. We have the infrastructure but don't have \$500,000 homes for people to purchase. We don't have homes on the lower price end for young people. The Mayor commented on a builder not being able to make money on building a 2,000 square foot home on a 7 acre lot. And if you did build one, the taxes could still be \$18,000.00 a year and no one would buy the house. This has prompted bringing up zoning as an issue. Also to him it doesn't make sense to keep spending money on open space because there are a lot of self-preserving parcels.

Committee Member Koury suggested that in re-examining the Master Plan the Land Use Board would look at where we can try to come to a compromise to make some adjustments. We need to look long term and act fiscally responsible so we don't' have a massive tax increase for municipal services.

Committee Member Susan Soloway said she's been working with Mark Saluk on the County's economic growth strategy and she recommends that we identify certain pieces of property/areas for agri-tourism. Perhaps there could be a corridor along Pittstown Road that could be a commercial developable area. There was some discussion about the Pittstown Post Office land available for both commercial and affordable housing. No progress has been made by the owner because he can't set the rents he would need and he said there were some restrictions in his resolution that make it difficult to develop. Lisa Wood commented on some of the restrictions by the fire department that made it very costly to the developer and this restriction was not the fault of the Land Use Board.

Darlene Green also commended on the Land Use Board and Committee needing to consider some "hot topics" in the Master Plan such as the possible legalization of marijuana, Air B&Bs, office space. She suggested a subcommittee of Land Use Board members and Township Committee members be formed to review some of the issues. There is no office space in Franklin Township. Where can an attorney rent office space in Franklin? The County corridors with traffic offers an opportunity to put in these types of services. There is a need for services and there may be flexible zoning that preserves the character of certain neighborhoods while providing them. WalMart and the Cracker Barrel properties cannot be touched for any zoning change since we already re-zoned to comply with the court order, retail could be built on the bottom level with residential above. The other two properties sandwiched between WalMart and Cracker Barrel is also re-zoned for town homes and cannot be used for commercial purposes. The problem with this property is that it is not in the sewer and water service area; however, the township has agreed to support any developer seeking an amendment to the service area as part of our settlement.

Deputy Mayor Burgess commented on the neighborhood business zones in Pittstown, Quakertown and possibly Cherryville and asked if we knew how many properties are vacant that are available. Erica Amon commented on creating infrastructure for commercial use along the Pittstown, Sidney and

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Quakertown Roads corridor The area does however lack public sewer and water. The per square foot rents are not supportive of the cost of construction. Darlene didn't think retail would be the most successful; it's services that the residents need. If they could get the services here v. driving away from the township to get them that's what's needed. John Thonet commented that you go to Clinton for services if you live in the norther section of the township and you go to Flemington if you're in the southern section. There were also comments on a movie theater and doing the demographics to see if it could be supported. This was looked at at one time for the WalMart Plaza but there is no water and sewer capacity for it now. Water and sewer is a critical issue.

There was also discussion about a package plant for a large enough development. However, no one will come in and just build a package plant alone. Also where in the township would we consider putting in a package plant and building a large number of homes.

Rick Roseberry advised the Committee and Land Use Board to start with establishing goals and objectives of the Master Plan. Need to look at development regulations, parking requirements, preservation, economic development, Brownsfields and grant money for redevelopment, PILOT program for tax abatements which is a benefit to the township since none of the tax money goes to the school.

Roger Thomas, Land Use Board Attorney, commented on the issues and said we are woefully inadequate with the Master Plan. Also, the re-examination is 2 years overdue. If we get sued we do not have preferential status with regard to the ordinances. He would urge that the Land Use Board start moving on this. Talk about what Rick said in setting up goals and objectives to get a sense of what to focus on, such as economic development which wouldn't mean changing zoning and changing buildable lot size which may be controversial to the group and also the community. Also look at some of the development regulations as this could be a mechanism that could allow for some ability to incentivize without changing the character of the community. Look at the current commercial space and see where they might expand. Do the review in small pieces none of which are controversial. There are several components to the Master Plan but Mr. Thomas said they should be sure that one of the goals is to incentivizing economic development. We don't have to change the entire town to satisfy the Master Plan goal.

Mr. Thomas was asked how to get started on this process and he said he has heard a myriad of opinions about how to do this and therein lies the problem. He hasn't heard a lot of controversy about it being a good idea to incentivize economic development. If there's a general concurrence on that, then a review can be authorized with the staff to budget for it and setting up some subcommittees of the Committee and Board. Maybe tonight there can be an understanding between the Committee and Land Use Board to generally agree that there is a goal to incentivize economic development. Hopefully we can leave tonight with the Land Use Board having that goal.

There was some discussion about the previous water study done when the zoning was changed from three acre lots to five and seven acre zoning. The nitrate dilution model done for Franklin Township years ago was the acceptable model and was a good study. Roger Soltys commented that the study supported even larger lot zoning in some sections of the township. John Thonet commented on Bridgewater's one acre lots and a lot of contamination of wells without having lots not large enough. He suggested defining an area where we can have high density growth and economic development.

Darlene Green said when she gave the Committee a budget it was merely to write a Master Plan reexam and not to comb through the ordinances for issues. She also commented on requirements for a re-examination.

- Goals and objectives
- How problems have changed over the past 10 years
- Identify policy changes by County and State that have impacted on the Master Plan: this would be COAH
- What changes are recommended as we go forward
- A redevelopment plan

Darlene's understanding is that if you want to have a PILOT program you need to have a redevelopment area. The Land Use Board may not be prepared to make firm recommendations in all areas but can indicate that while they have no recommendations at this time, they plan to further explore these areas in detail in 2019.

Adjournment

Motion to adjourn at 9:30 p.m.

Moved Burgess

Second Soloway

All in favor. Motion carried.

Respectfully submitted,

Ursulav. Stryker, RMC

Municipal Clerk

Date of adoption: 9-27-2018