BOROUGH OF OCEANPORT

MAYOR & COUNCIL

MINUTES ● JULY 16, 2020

Workshop	REMOTE/VIRTUAL MEETING	7:00 PM

2 Maple Place, Oceanport, NJ 07757

I. Meeting Called to Order: Council President Gallo called the meeting to order at 7:08 PM. Ms. Smith advised that Mayor Coffey was attending to technical issues with the Borough's local access channel.

II. Statement of Compliance with Open Public Meetings Act: Adequate notice of this meeting has been provided by notice to the Asbury Park Press and The Link News on January 6, 2020, and by the posting of same on the municipal bulletin board and Borough Web Site." This meeting complies with the Open Public Meetings Act by notification on June 1, 2020 of this virtual/remote meeting, its location, date and time to the Asbury Park Press and the LINK News and by the posting of same on the municipal bulletin board and Borough Web Site. Borough Clerk Smith then read the virtual/remote meeting advisory advising the public how to attend and participate during public portions of the meeting

III. Flag Salute: Council President Gallo led the attendees and Council members in the flag salute.

IV. Invocation: Borough Chaplain Stacy Deerin gave the invocation.

V. Roll Call:

Attendee Name	Title	Status	Arrived
Jay Coffey	Mayor	Remote	7:48 PM
William Deerin	Councilman	Remote	
Richard Gallo	Councilman	Remote	
Bryan Keeshen	Councilman	Remote	
Michael O'Brien	Councilman	Remote	
Thomas Tvrdik	Councilman	Remote	
Meghan Walker	Councilwoman	Absent	
Jeanne Smith	Borough Clerk	Remote	
Donna M. Phelps	Borough Administrator	Remote	
Scott Arnette	Board Attorney	Remote	
Catherine D. LaPorta	Chief Financial Office	Remote	

Council President Gallo requested to change the order of the meeting so that Mayor Coffey would be present for the FMERA Update to which there were no objections by the Council.

VI. Administrator's Report: Ms. Phelps reported on items including the 7 change orders for the municipal complex – thanked Mayor Coffey, Councilmen Tvrdik & Keeshen and Borough representative Bob Iamello for their efforts in getting these to the table and thanked Ms. LaPorta and Ms. Smith in getting them ready for action this evening; FEMA and Monmouth County reimbursements have been received for the municipal complex and COVID19 expenses; Clean Communities grant came in for $12,992.94; NJ League of Municipality Conference scheduled for Atlantic City in November and asked that anyone interested in attending contact her; a letter from Oceanport PBA President John Weir to Mayor and Council was hand-delivered on July 8th to begin negotiations of next contract – she will work with Councilman O'Brien to put together; receipt of resignation of Allen Parker, Housing Inspector for personal reasons and working to fill that position; participated in exit interview with auditors for the 2019 audit which is anticipated to be received without any comments and therefore no corrective action plan and congratulated Ms. LaPorta on doing a great job. Ms. Phelps next sought Council's direction regarding staff and the challenges related to COVID19, limited in-office hours with no change in workload and inability to utilize vacation time and requests to carry unused vacation time to next year; in discussing with Councilman O'Brien her recommendation was to have staff submit a request in writing to carry a maximum of 5 days of vacation time that would need to be used before March 30, 2021 but would also encourage employees to take as much of their well deserved time off as they can. Councilman O'Brien commented that she touched on some important topics as far as employees taking time. We're all working from home its not obvious necessarily that you need the time particularly when you see how busy the borough is so to that extent he believes employees should be encouraged to take the time but if they can't when they feel like they don't have proper outlet to use days as they see fit then the Council should be somewhat flexible in allowing them to carry over five days. Consensus was to allow staff to request carry of up to 5 vacation days to be taken by March 31, 2021. Ms. Phelps would notify department heads.

At 7:28 PM Council unanimously approved a 5-minute recess to address technical issues.

At 7:37 PM the meeting resumed with all previous members present.

VII. Clerk's Report: Ms. Smith asked for any questions on the items listed for the regular meeting; any corrections for the minutes to which there were none. Ms. Smith brought up a request from the members of the Port Au Peck Firehouse regarding Pop Warner's request to resume their meetings there which had been pre-empted by the Mayor's closure of all borough buildings for COVID. Firemen have no issues. Only involves 5-7 people and they would wear there masks.

Mayor Coffey entered the meeting at 7:48 pm

There was discussion as to whether social distancing requirements could be met by the building's capacity; whether that would involve opening other Borough buildings; potential liabilities; perhaps requiring a hold harmless; perhaps the group could hold their meeting outside as it was a nice time of year. Mr. Arnette advised that he agreed with Ms. Phelps and that there didn't appear to be such a compelling need for such a liability and the group could meet outside or in a backyard. As there were no objections Ms. Smith would report back that the Borough was not comfortable with opening any Borough buildings.

VIII. GUEST: FMERA Staff Monthly Update: Bruce Steadman, Executive Director of FMERA, appeared along with Kara Kopach Director of Real Estate. Mr. Steadman and Ms. Kopach provided an update on redevelopments at the Fort including progress at the Fitness Center, the chapel parking lot currently before the Planning Board; progress at Squier Hall and the long-term lease for NJ City University with planned opening of Fall 2021 due to a number of delays including COVID19; RPM Developers is close to completing both the North and South officers sites; the Dance Hall currently in the permit process with the County and Borough; both Alison Hall and Lodging parcels are under contract and have been through FMERA's review process and currently working through historic preservation approvals with closing anticipated for 2021 for Lodging parcel – both are in process for approvals with the town and planning board; challenges due to staff furloughs at the State level have slowed some of the approvals from the State; other parcels under contract include Barker's Circle, Nurses Quarters and Commissary/Post Office/Warehouse parcel. Mr. Steadman lastly discussed the 400 area and the market change due to COVID and most recent feedback is that the idea for transit village may change but would continue to entail some 230 residential units and may look to provide more open space – no specific plans at this time but will keep the Borough informed. There has also been some interest in the MacAfee Center which an RFOTP was being prepared for end of year. Future issues to address will be the boundary with Eatontown, a monthly ad-hoc committee meeting to discuss streets and liquor licensing.

Councilman O'Brien asked about the 400 area may require changes and how does that change the high-density housing as he never quite understood the number of housing being put in. Mr. Steadman explained that the Reuse Plan was established with input for the three towns and set the required number of residential units for the Oceanport area at 720 – a result from legal ramifications with Fair Share housing lawsuit – and given the number of acres available in the 400 area would sufficiently provide for the remaining number of 230+ units.

Councilman Keeshen asked who would be responsible for the infrastructure improvements for utilities and streets, etc. Mr. Steadman advised that FMERA was working to replace all the sewer and working with NJ American Water to replace water lines and they continue to work with JCP&L to establish a new substation for the area; as for the streets – a couple of streets were taken by Tinton Falls "as is where is" as well as the County; in general if there's valuable property and tax revenue from a development would be best suited for the municipality to handle the roads improvements with the additional tax revenue that would come in from those developments. FMERA does not have a budget for such infrastructure improvements. Councilman Keeshen expressed concern for the Borough being responsible for potential financial impacts for severely aged infrastructure. Mayor Coffey commented that the roads have been a long-known issue and that FMERA knows where the Borough stands as to that responsibility and would be addressed as they come along. Ms. Kopach commented that they would like to see the ad-hoc meet to begin identifying those streets of concerns and being discussions on those topics.

IX. Discussion Items:

1. Resolution authorizing an extension of Agreement with OPBOE for lawn maintenance and snow plowing

   Ms. Phelps advised that the schools were seeking to renew the agreement again; the Borough has not had an increase from the lawn servicer and recommended renewing the agreement for the same cost. As there were no objections, resolution would be acted on in regular meeting.

2. Resolution assigning Land Use Ordinance Project to Kendra Lelie, Borough Planner

   Councilman Tvrdik reported on the changes in staff and Borough Planner firms and would allow for the same professional at another firm to continue the Borough's work on its updated development ordinance and summarized some of the areas that would be addressed and updated. As there were no questions or objections, item would be acted on in regular meeting.

3. 2019 LOSAP, Councilman Keeshen

   Councilman Keeshen advised that a review is being conducted by Ms. Smith and committee members and would be forthcoming hopefully for the August 20th meeting.

4. Ordinance Approving a Financial Agreement with KKF Enterprises

   Mayor Coffey gave a brief explanation of the intent of the agreement which had been reviewed by the Borough's financial advisor. Mayor Coffey acknowledged representatives from KKF Enterprises. Brian Nelson spoke to the project's focus on financial terms, described the public/private partnership for the development of the university site; discussed the potential revenue generated by the proposed development and renewed the terms proposed for the Borough, the project requires virtually no municipal services from the Borough – no school generated impacts, no trash or recycling services, etc.; the agreement includes a special default provision that if the current use changes, KKF could be held in default and the financial agreement be discontinued – a unique provision for this type of agreement.

   Mayor Coffey asked how the triple net lease burden falls on the tenant. Mr. Nelson advised that it was a pass through to the tenant and KKF would not realize any direct benefit from the agreement. Keep in mind the project is unique because the project was for a public school which would not be subject to local taxes.

   Councilman O'Brien asked how the term of the PILOT was determined. Mr. Nelson advised that 30 years was the maximum term and typically aligns with the financing of the project term, provides certainty that the tenant's expenses under the lease remain certain. There was discussion concerning the set rate payments during first 5 years and varying rates thereafter and structured so that it was formulated for the entire lease; comparisons with other developments of similar size; administrative charges back to the Borough. Councilman O'Brien asked if it was uncommon to have escalators that would match the increases of the Borough. Mr. Nelson explained yes, as a PILOT was based more on income approach then based on the property value. Councilman O'Brien asked additional questions about the transferability of the PILOT; the annual minimum charge if there were no tenant and no rent; and how the 15.7% was established which was higher end of typical PILOTS – almost near full taxation. Mayor Coffey added that was why the Borough's financial advisor reviews and determines if there's "money left on the table".

   Councilman Gallo asked what was the annual service charge. Mr. Nelson advised that is what the annual payment in lieu of the tax payment is officially called under the statute.

   Councilman Keeshen asked if NJCU defaulted then KKF was responsible for the first year payments and was told yes, there was no instance where there would be a "0" payment.

   Councilman Gallo asked about other buildings on the site in the future. Mr. Nelson advised any new buildings would need a separate financial agreement, or a new negotiated PILOT.

   Councilman Keeshen asked if the university adds on and increases build out that would mean an increase in rent to KKF which would result in a higher PILOT payment to the borough and was told yes.

Councilman Keeshen also asked if another use was wanted for the site they can’t just put in a Burger King. Mr. Nelson answered correct – the use must relate to an educational use.

Mayor Coffey stated next steps was waiting for review by the Borough’s financial advisor, Acacia, and go from there depending on the results of the review and a public hearing on the agreement at next month’s meeting and what the process involved should the agreement need to be changed.

Councilman Deerin asked with the virus and schools being remote and online – does it affect the revenue stream. Mr. Nelson responded that was something that would have to be explored and would definitely have to be taken into account in the lease between NJCU and KKF. Mr. Wersinger added that most colleges in the State have no reduced tuition as a result of online instructions.

Councilman Gallo asked one additional item regarding the agreement language that refers to affordable housing and asked if that could come out. Mr. Nelson said that could certainly be stricken as far as they were concerned as the project had no housing.

5. Resolution approving Special Event Permit for Drive In Concert - Almost Queen
6. Resolution approving Special Event Permit for Drive In Concert - Comedian Liza Schlesinger

Mayor Coffey commented that the first two events at the track had gone well with traffic being the only adjustment and was successful and heard nothing but good things about it. Mayor Coffey asked if anyone had a problem with the additional events going forward.

Councilman O’Brien stated he was supportive but there had been some traffic issues near Wolf Hill and Port Au Peck which could have done with some police presence to control traffic from Eatontown Blvd. Councilman Keeshen commented that he had spoken to Chief Kelly and Southside Johnny ran late and the gates didn’t open on time so there were some growing pains.

Councilman Deerin asked if there were any numbers on the donations to First Aid and Fire yet? Mayor Coffey answered not yet but ordinance minimum was $200

7. Fort Monmouth Plan Amendment #15

Councilman Tvrdik asked Ms. Smith to speak to the amendment process. Ms. Smith summarized the plan amendment which would provide an alternative use for the Commissary/Warehouse parcels – presently calling for a residential component and a school site which had been reallocated to other areas on the Fort. The amendment was referred to the Borough’s officials, Boards and professionals. Councilman Tvrdik advised that the Planning Board was quite adamant that a traffic study be provided. Mayor Coffey added that the Borough Planner had provided a 5-page analysis which would also be attached. Ms. Smith highlighted some of their recommendations regarding traffic analysis, concept plan, open space. Other responses received were from the Environmental Committee questioned impacts to density with the reallocation of the residential untis to other areas. There was discussion that yes it would. As there were no additional comments, Ms. Smith drafted a preliminary resolution with the comments received which would be added to the regular agenda.

X. Mayor's Report: Mayor Coffey wished resident Buddy Brocklebank a Happy Birthday!

XI. Petitions from the Public: Mayor Coffey opened the meeting to petitions from the public. Public was advised to click button on “raise hand” to want to speak, email to publiccomments@oceanportboro.com or call the meeting line at 732.272.8337.

As no one else from the public presented, Mayor Coffey closed that portion of the meeting.

XII. Adjournment: As there was no further business, the meeting was adjourned at 9:18 PM on a motion by Councilman Deerin, seconded by Councilwoman Walker and approved by Council.

Respectfully submitted,

Jeanne Smith
BOROUGH CLERK