

The workshop meeting of the Borough of Riverdale Mayor and Council opened on the above date at 7:30 p.m. with the Pledge of Allegiance.

Mayor William Budesheim presiding.

ROLL CALL: Present: Astarita, Bush, Falkoski, Guis, Wetzel, Carelli
Absent: None

Mayor Budesheim announced that proper notice of this meeting was made as to time, date, place and agenda.

PUBLIC PARTICIPATION NO. 1:

There being no comments, Councilman Falkoski set forth the motion, seconded by Councilman Carelli, to close the public session.

ALL IN FAVOR.

ORDINANCES:

- 1) Continuation of Public Hearing and Adoption of an Ordinance entitled:

ORDINANCE 05-2008

**ORDINANCE AMENDING CHAPTER 168 OF THE REVISED GENERAL
ORDINANCES OF THE BOROUGH OF RIVERDALE AND AMENDING
CERTAIN PROVISIONS APPLICABLE TO THE “MF-O MULTIFAMILY
OVERLAY DISTRICT”**

Mayor Budesheim announced that this Ordinance was open for public participation.

Pat Reese, 5 William Street, stated that if the entire project is open market it will cause a greater and quicker diminishing of ratables as it increases demands for more services and facilities. She feels the developer is trying to customize this project for himself and that the council is afraid he won't do anything if he doesn't get what he wants. She doesn't see the urgency to change the ordinance now.

Pompton Lakes Councilman Ellis Marples stated his concern is that this project has the potential to seriously impact the residents of Pompton Lakes. He said there have been a series of misrepresentations and this project is not going in the right direction.

Glenn Venza, 14 Macopin Avenue, Riverdale Planning Board member. Mr. Venza asked for the Planning Board Review of this ordinance to be read into the record. Councilman Falkoski read a transcript of the motion that was set forth by Chairman Steven Loesner recommending the Planning Board advise the Council that the MF-O Zone should not be changed for the following reasons:

1. Resulting density of the negative impact with regard to congestion of the sixteen units per acre of non-age restriction should be further studied.
2. The ordinance becomes inconsistent with the Master Plan goal to provide housing opportunities for people of all ages, lifestyles and income levels.
3. Attach Donna Holmqvist's letter dated April 24, 2008 to the motion.

Jim Talerico, 104 Newbury Place, stated that he doesn't feel the Council is well enough informed on this site to vote on this ordinance tonight. He said the letter from our Planner has still not been addressed. He is bothered by the way projects are being pursued in town and said they should be allowed to follow their own path. He asked why

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the Council is talking about ratables when they crushed ratables that had been approved by the Planning Board for other sections of town. For example a strip mall that is now Glenburn, and the Dube site over which the Council sued the Planning Board. He said it is wrong that the Council didn't initially hear about this ordinance until they received the agenda three nights prior to the meeting. He asked what the benefit is because the ratables don't change whether its market value or age restricted. The other two issues are school children and traffic and I can't understand why this Council is not asking for those figures.

Ray Maloney, 57 Cottage Place, stated he is concerned with traffic from Riverdale Road. We will need a traffic light which will increase traffic problems at the route 23 light. He is concerned that Pompton Lakes High School will not be able to accommodate the increase in students.

There being no further comments, Councilman Falkoski set forth the motion, seconded by Councilman Astarita, to close the public session.

ALL IN FAVOR.

Comments by Councilman Falkoski: It seems that some decisions were made based upon the fact that we were looking for the ratables. The point was made here and it's very true, changing this ordinance does not affect the valuation of the ratable that exists on this project at the moment. In the builder's own words, they stated that the age restricted preference is for single family or attached town homes, not the type of mid-rise construction that exists in the project at present. If the age restricted were to be constructed on the south side of Riverdale Road, they could be constructed in the style which is preferred by the market, i.e. townhomes or multifamily homes. I realize you can't do that on the north side because of some of the restrictions that are imposed by the DEP. I think the best thing that could happen at this point, and I suggest this to the Council, is that this ordinance not be passed in its present form and that the builder proceed with the present scenario; build the market units first but on the north side of Riverdale Road. Then analyze the market for the age restricted in the preferred styles, and at that time if it's still soft, request a change then to all market units. Thank you.

Comments by Councilman Carelli: I've been listening to these arguments for the better part of two years with regard to age restricted. When this project was first introduced to me, I wasn't that crazy about it. I was a little concerned about the number of units down on Riverdale Road, but after looking at it and looking at the other benefits we could get as far as ratables and things like that, it became a better scenario when it was proposed that half of it be age restricted. Quite frankly, that's the only reason I went along with it from the start. I felt that having an age restricted was good for the town and we all know it doesn't add kids to the school and it creates a good balance in town. When you look at the type of residential dwellings that we have; single family homes, some town homes, age restricted condos and now we have open market condos. I did a breakdown and was curious as to what that breakdown is today. Currently 41% of the residential dwellings in Riverdale are open market condos, 38% are single family homes, 4% are town homes and 17% are age restricted condos. By eliminating the age restriction here, the open market condos go up to 51% which is more than everything else combined. I just don't think that creates a good balance. I heard a lot of the different reasons and rationales why we should or shouldn't do it – between the sewers, the traffic, the ratables – I agree with everything that was said as far as ratables. It's the same ratables and the only way that argument is valid in my mind is if you think that this developer is going to pick up and move out of town if we vote no. I don't subscribe to that. I think he will do it regardless. As far as the school children, there have been some statements back and forth and I'd rather just be accurate. Certainly ratables help the tax

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rate – there's no doubt we would benefit from that. The school rate and municipal rate would go down. The thing that needs to be considered, and that I did consider, were the number of kids and we've heard all different scenarios. The general rule of thumb is one child for every 10 units. If you look at that now, the Grande has 558 units so you can expect 56 children and that's the number we've been using for the last two or three years. This TCR development, as it is approved today, would add another 21 children in a worse case scenario because there are 212. By changing this, we can then assume there will be another 21 children. And we have to look at the COAH requirements. I've heard we may to build anywhere from 100 to 140 because of that, and that could add another 15 or so children. When you add that up, currently in the Grande the number is somewhere around 300 units sold and we have 10 children. So we haven't even felt the impact of all the children that will be in the school. When you look at the projections, we still have another 100 children to account for. If we say we're not going to get 100 and maybe it's less than that, we're trending right now about 40% of what we thought, so that might be 40 extra kids we're going to get. We could sit here all night and argue about how many extra children there are going to be and whether or not that impact makes you decide not do it is up to each individual councilperson. The thing I want to be clear on is that this ratable may bring in \$900,000 toward the school but the school can't spend that money. They have a hard cap of 4%. Their levy last year was around \$5,000,000 which means next year they're going to have an extra \$200,000 to spend and can't spend any more. If you have 5 kids or 100 kids, it's \$200,000, so it does impact the school. You talk about that the school put an addition and they have adequate space for the children and I don't think anyone would dispute that. They have nice amenities in the school so housing the students is not a problem. Where I get concerned is that we have to educate them, too. That's something to be concerned about. They're going to need money to do that, so I've taken that into consideration. As far as the traffic, we've heard stories. I have no idea what it's going to do to traffic; I haven't seen a study. To nonchalantly say it shouldn't matter – I'm not ready to say something like that. I just don't know. The other thing is the Board of Adjustment voted 7 to 2. I trust the decisions the Board of Adjustment makes. We have to as a Council and I'm not ready to go against their vote. They know more about it than we do. They've been looking at it for last three years. Finally, all I'd have to say is TCR, these are big boys. They're a big outfit, they know what they're doing, this is a high-risk high-reward game that they're in. I feel they knew what they were getting into, they're approved today for all 424 units and I'm of the opinion they should build what they're approved for. I don't think because the market may have changed or there are some hard financial times that we should be bailing them out, and that's what I feel like we're doing. I'm just not comfortable supporting this at this point.

Comments by Councilwoman Bush: I spent some time this week trying to get information on comparing open market to age restricted. I think that you can go either way with facts and data. You can find studies to support the fact that open market will be a better return for you and you can find statistics that say the age restricted is. The one thing that I did note was in the last year according to a few sites that I found, in all of the housing markets, 50% of all housing that's been built in New Jersey in the last year has been age restricted. There were different reasons for it. One reason is because that's what's being approved today. Builders know that when they go to a Planning Board, if they're going to get projects approved, they're going to have a component of age restriction because it seems to be moving in that direction. On the other hand, there were comments as to where is New Jersey heading if 50% of our housing is going to a market that doesn't seem to be picking up and actually buying those units. The units are being built but staying vacant. So there's a contrast there of what it is that the builder is trying to do for the town and please everyone that's involved in this whole process. You're looking at your citizenry, your school districts, the services that are being brought into the town. To me, when I was looking at this issue, I was looking at personal family members and how I would feel. To me, age restricted is not as attractive for me to buy into

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something of that nature and I have family members that are not interested in doing that. In looking at Riverdale, is Riverdale the type of a community that I would want to look at or does it have a market for retirement? I'm not so sure. Usually you're looking at shore towns or areas that might be even closer to some of the larger cities. Is it cutting out housing for younger families that are coming in? That was also an issue. And there are also positives when a building project comes in that are attached to the project, so it's not just a cut and dry issue of should it be age restricted or not. My biggest concern, and it was mentioned before, is that as a Council and a Mayor and Council, we have names put forth to serve on different boards and then those people make decisions because of their expertise or because of their dedication to the boards that they're serving on. I think that every board needs to have confidence in the other board members and their decisions. I am at this point leaning to side with the Planning Board in that they have put the time and effort into really delving into the issue more so than what we have. I know the issue of a white paper has come up – a letter from a planner stating, with a revision, what are the real true impacts going to be. That was one thing on my agenda that I had hoped to get done before this meeting and it didn't. I have had meetings, spoken to other members and I have spoken to the Mayor and I've tried to get facts. The main issue still remains for me; do I make a decision against a board that I have confidence in?

Comments by Councilwoman Wetzel: When this was first brought up, it was presented in the two phases; 55 and older and general population. I too was in favor of that. In the beginning I thought that was going to be beneficial to the town. I do agree that there was concern about how many children would be coming into the school as well as traffic and all of things that everybody brought up tonight. I do think that someone mentioned we haven't given this enough time. We really have discussed this for a very long time and we've gone back and forth, had pros and cons, and had presentations from the developer with everything and his intention as to why he feels it's a better idea to switch his plans. I was hesitant in the beginning about him changing his plans. I felt that after he was approved he came in and asked for a change and I felt he should stick with the original plan. After hearing different things presented to us, I did change my mind and did agree that the project should be developed. I know that everyone has very strong opinions and they're all good, they're all viable. I do really believe that the Planning Board has made wonderful decisions that have benefited all of us in this town. A comment was made quite a few meetings ago that I just cannot get out of my system. When we asked why the Planning Board was going to deny this project, a comment was made that, well they all just said that they're going to deny it because they don't like him, meaning the developer. Well, I was appalled by that. It hasn't been denied, it hasn't been disputed and I'm not saying that it's true or false. I would like to think that has nothing to do with the decision of the Planning Board. But the Planning Board hasn't made one comment or another with regard to that situation and I would like to think that it's not personal. I have no reason to think it is and I have no reason to think it isn't, but I have not been given any reason other than that letter, which I feel was very general, as to why the Planning Board disapproved the project. If there are more specifics, I don't know of them. It just bothers me to think that anyone would think that we feel empowered or we feel we can change the rules because we can or because we feel it's beneficial as opposed to what we feel is best for the town. But it also bothers me to think that any board may feel they don't want to approve or disapprove something because personally they disagree with somebody or like or dislike somebody, and I hope that that isn't a factor. So for the same reasons I appreciate the board and everything they've done and respect the things they've done in the past, I just have a problem with the fact that this project was denied, denied, denied and I don't really think we've been given enough reason as to why they're not even considering it.

ORDINANCES (continued):

Comments by Councilman Falkoski: As you know I am the Council representative on the Planning Board and served on the Planning Board before being appointed to the Council. Any decision that board has ever made is based on facts and law. People may have personal opinions about certain people, but any individual on that board has never made a decision based upon his personal feelings. It's always been based upon the law.

Comments by Mayor Budesheim: Going all the way back to the hearings on this before the Planning Board, there have been a lot of comments made. It was eluded to even this evening that we bend over backwards for this developer, we give him everything he wants. Such comments are almost bordering on being irresponsible because they project an image of our Planning Board and our Governing Body that just is not true. By way of example, this developer was looking to develop 105 acres on the other side of Route 23, totally undeveloped land. The residents up there were against it and this Governing Body was against it. While that was going on, our Tax Assessor approached me and said why don't they come down here to Riverdale Road where we have vacant buildings. Middle Atlantic was about to move out. They occupied all or part of seven buildings. The property owners down there had been filing tax appeal after tax appeal year after year, and you had an environmental disaster down there. So I asked the developer to come down here and redevelop it rather than destroying the little open space we have left. They did come down here and they did approach some of the property owners, but nothing much happened and they continued to pursue the open space area. One day I got a call from Councilman Falkoski and he is with Assemblyman Alex DeCroce and they're in the parking lot at one of the buildings there. Mr. DeCroce is in real estate, and Mr. Falkoski was explaining to him what we were trying to do, and he was very interested. I went down there and at that time we met with one of the owners of the Medallion building and he was interested in selling. Within a week or two later, Mr. DeCroce and I met with the owners of one of the vacant building across the street and he had a developer from Washington D.C. who was looking to come up here to develop that site. With all the environmental constraints and buying up businesses, it was prohibitive for most developers. Finally TCR gave up trying to take our open space and agreed to come down here and pursue it. Under our ordinance, it is the responsibility of the applicant to request a zone change and give his reasons. He complied with our ordinance and did just that. He came up with something that he thought we'd be comfortable with. There were many, many changes. None of those changes were initiated by the developer for obvious reasons. He was doing everything we asked of him. To say that we've given him everything he's asked for, just the opposite is true. So they get the change. He proposed the age restriction – at the time I guess the market was fair for something like that – and there was always the concern about the school. Because of the change in the market, it was no longer feasible to build the age restriction. I have a list of 21 towns in New Jersey that have lifted age restriction, a couple right here in Morris County. Some have been built and are vacant. Hamburg has the most desirable type of age restriction; single family detached buildings. Some of them are built and they can't sell them. What he's asking for is nothing different than what's happening all across the state. As far as the number of people, our planner at the hearing stated the increase in population for open market and age restriction would be very similar and she did not think the age restriction would generate less of a population so the number of people is going to be the same. As far as the traffic light, whether you have age restriction or not, that traffic light is part of the site plan approval. It is agreed that we'll hold up on that until we see what the traffic conditions are. If there is going to be a problem it's going to be the fact that it does get built. As far as Planning Board decisions, I'm glad to see there's a renewed faith in our Planning Board because this Council two years ago voted, as Mr. Talerico said, to sue them because we didn't feel comfortable with that Dube application which I considered an abomination. I'm glad that this Council did challenge it and didn't have blind faith in our Planning Board in whom I have the most respect. Chairman Loesner and I have been working together the past two or three years and I think he's done an

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admirable job. I would not do anything to undermine him but sometimes they don't agree with every decision we make either. As far as the Van Ness house, I think that was a positive. Thank goodness we did do that. That's the most heavily traveled county owned road in all of Morris. We've had a four vendor farmers market there 4-1/2 hours a week and you would not believe the traffic nightmare. We have to have a cop out there, there've been two accidents already with just four vendors. Can you imagine if we had a 45,000 square foot, 200 parking space strip center there? It would be a nightmare. So that was to the benefit of Riverdale and to all the taxpayers. The primary reason for age restriction is because of the school. I was told by the Superintendent that we have eight kids signed up for school from the Grande with 300 units. The projections would have given us 30 students so we're only 33% of the way to what they're projecting. The school has had two additions put on since the 70's – one just a few years ago. In 1973 K-6 in that school building held 323 kids, 99 went to Kinnelon Middle School and 223 went to Kinnelon High School – 645 kids. Last year we had 286 in the school and this is after two additions were put on. Five years ago the school board put a \$5.5 million referendum and part of the selling point for that was because of the development in town. Nobody could remember how many students were anticipated because of the increased development and what that facility was supposed to accommodate. I called Mario Cardinale, who was the Superintendent who put together that whole project. He said definitely it was anticipated to increase the school population by 70 students. He said he even met with the developer at the Grande outlining school bus stops. At the time there were 277 kids in the school so part of what we paid \$5.5 million for is to bring that school population up comfortably to 344 kids. It's true with the law change the school does not get the increase of ratables like they used to every year and I think that's a good thing. However, when needed they can dip into that well and they did that last year. They went for a second question that got approved by a 3 to 1 margin; a second question of \$450,000. With the increase in the regular budget, and that was a \$650,000 increase in their levy last year, it didn't cost the residents any additional taxes because the added ratables covered that entire cost. And to me that's a good thing. That's what the ratables are for. So we were able to meet the educational needs of our students. These aren't for future students; these are students who are in the school today. We are able to give them the opportunities and the programs that they want today because of the development. If it ever comes again that they need to add on or they need the increased programs, the money would be there for them. As far as Pompton Lakes High School, I'm not sure what breaking point means. I've heard that over the past few meetings. According to the latest statistics on the Department of Education score card, there were 668 students in Pompton Lakes High School this past school year with Riverdale. 114 of those students were from Riverdale. In 1968 when it was just Pompton Lakes they had 752 students so that's 84 less today than there were in 1968. I don't think the building got any smaller and I think it can accommodate more students. As far as the traffic, the traffic studies have shown that intersection at peak hour has about 300 to 400 cars coming there. They're not coming from Riverdale. They're coming over the Van Ness Bridge from Pompton Lakes and Wayne. That traffic is generated over there and I don't believe that the people living there are going to be driving into Pompton Lakes unless they have business in Pompton Lakes or visiting people. They're going to be using the same roads that the people in Pompton Lakes and Wayne are using and that's to get to the highways. The traffic studies have shown that and experience has shown that so I don't think that's going to be a problem. It comes down to what we think is best for the town. I resent the fact that backdoor politics was mentioned here. The Council found out about the zone change ordinance the same way they find out about every other single ordinance and that's on the agenda. That was done no differently than any other ordinance change and it was up for discussion. We have taken care of the school with the added ratables, we've got a great working relationship with the Board of Ed and the Administration over there which is something we're very proud of. Through shared services we save a lot of money and we're going to continue doing that. We've taken care of all the infrastructure

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and the equipment here in town, the fire and police equipment. Now we're to the point where it's just the maintenance level that we're trying to keep so we've used these ratables to improve the situation in town. Now with the increase in tax appeals coming up, we've already seen it start, there's one other group I'm looking to take care of and that's the taxpayers. It would be nice if the school tax went down. It's always been known that the school accounts for about 2/3 of your local tax rate; 60% to 65%. With this new law in place, it's coming down. Right now it's 48% and it's getting close to the municipal share so it is working. We'll continue working with them and it would be nice if these added ratables could be used for tax relief so that retired people who want to maintain their houses and don't want to give up something that's owned free and clear can afford to continue to live here. One last thing regarding the letter that we got from the Planning Board stating it's not in conformity with our Master Plan. The reason I didn't ask the planner here is because a number of times, if you read the transcript you see, questions were asked of her and she stated I wasn't involved in writing the Master Plan so I couldn't answer that. So I called the man who did write the Master Plan and I asked him very honestly what was his opinion of age restricted housing and if we removed that from our ordinance would it be in conflict with our Master Plan. He told me he deliberately didn't put it in the Master Plan because he doesn't believe in it for an area such as this or a town such as Riverdale because we are not a target area. As somebody said before, people don't retire to Riverdale, they don't downsize to Riverdale, they're not moving into here. Our own statistics for Powder Mill have shown that.

The Mayor instructed the Borough Clerk to read the letter from Walter Kalina of Clough Harbor and Associates who wrote our Master Plan.

Thereupon, Councilman Guis set forth the motion, seconded by Councilman Astarita, **RESOLVED** that Ordinance No. 05-2008 as read on second reading, be adopted and finally passed.

ROLL CALL: **Ayes: Astarita, Guis, Wetzell, Budesheim**
 Nays: Bush, Falkoski, Carelli
 (4 ayes – 3 nays – motion carried)

COPY OF ORDINANCE AND RESOLUTION IN FULL ON PAGE NO. 83-A**RESOLUTIONS:**

Councilman Falkoski set forth the motion, seconded by Councilman Guis, to approve the following resolutions:

- 1) Payment of Claims.
 - a. Postage Meter Reserve Account A&E \$ 1,500.00
- 2) **Resolution #56-2008** – Review of 2007 Annual Audit.
- 3) **Resolution #57-2008** – Chapter 159 - \$5,000 – Over the Limit Under Arrest 2008 Grant.
- 4) **Resolution #58-2008** – Chapter 159 - \$72,574.00 – Glenburn House Historic Preservation Trust Fund 2008 Grant.
- 5) **Resolution #59-2008** – Approval of proposals for emergency work to be performed to stem on-going deterioration and/or damage to the existing historic fabric. The proposals are to be performed by the following with costs as noted:
 - a. Kenneth Frayer Ventilate Main House \$ 1,400.00
 - b. Kenneth Frayer Install 20' beam \$ 1,920.00
 - c. Kenneth Frayer Secure envelope-6mil/roof \$ 800.00

PUBLIC PARTICIPATION NO. 2:

There being no comments, Councilman Falkoski set forth the motion, seconded by Councilman Carelli, to close the public session.

ALL IN FAVOR.

ADJOURNMENT:

Councilman Falkoski set forth the motion, seconded by Councilman Carelli, to adjourn the meeting.

ALL IN FAVOR.

Adjourned: 8:46 p.m.

Respectfully Submitted:

Carol J. Talerico, R.M.C.
Municipal Clerk