

PLANNING BOARD
BOROUGH OF WANAQUE

February 18, 2021

REORGANIZATION
&
REGULAR MEETING

ZOOM VIDEO CONFERENCE

Meeting called to order by Mayor Daniel Mahler with a salute to the flag at 7:43P.M.

READING: Open Public Meeting Announcement

This is Reorganization and Regular Meeting of the Wanaque Planning Board and adequate notice has been given and it has been duly advertised by the placement of a notice in the Suburban Trends on February 14, 2021, and a notice thereof has been posted on the bulletin board in the Municipal Building in the Borough of Wanaque, on the Borough's website, a copy thereof has been on file with the Borough Clerk and will be posted on the front door of Borough Hall on the day of the meeting.

Reorganization Meeting:

Re-Appointed Members: Gilbert Foulon/David Slater/Dominick Cortellessa/Kevin Platt and Mary Leonard

Mayor Mahler swore in Re-Appointed Members: Gilbert Foulon, David Slater and Kevin Platt

PRESENT: Mayor Daniel Mahler, Members Gilbert Foulon, Joseph Graceffo, Kevin Platt, Charles Strobel, David Slater, Jack Crilly and Jack Jordan

ABSENT: Donald Pasquariello

Councilman Dominick Cortellessa logged into the Meeting at 8pm with some audio issues.

Member Mary Leonard logged into the Meeting at 8:30pm

NOMINATION FOR CHAIRMAN: Member Slater nominated Gilbert Foulon, seconded by Member Platt. No other nominations heard. Nominations closed.

ROLL CALL ON NOMINATION FOR CHAIRMAN: Voting yes were Member Foulon, Member Graceffo, Mayor Mahler, Members Platt, Strobel, Slater, Crilly and Jordan

NOMINATION FOR VICE CHAIRMAN: Member Foulon nominated Joseph Graceffo, seconded by Member Slater. No other nominations heard. Nominations closed.

ROLL CALL ON NOMINATION FOR VICE CHAIRMAN: Voting yes were Member Foulon, Member Graceffo, Mayor Mahler, Members Platt, Strobel, Slater, Crilly and Jordan

NOMINATION FOR BOARD ATTORNEY: Member Foulon nominated Steven Veltri, seconded by Member Graceffo. No other nominations heard. Nominations closed.

ROLL CALL ON NOMINATION FOR BOARD ATTORNEY: Voting yes were Member Foulon, Member Graceffo, Mayor Mahler, Members Platt, Strobel, Slater, Crilly and Jordan

NOMINATION FOR BOARD ENGINEER: Member Foulon nominated Alaimo Engineering (Michael Cristaldi), seconded by Member Strobel. No other nominations heard. Nominations closed.

ROLL CALL ON NOMINATION FOR BOARD ENGINEER: Voting yes were Member Foulon, Member Graceffo, Mayor Mahler, Members Platt, Strobel, Slater, Crilly and Jordan

NOMINATION FOR BOARD PLANNERS: Member Foulon nominated both Alaimo Engineering and Benecke Economics as Planners, seconded by Member Graceffo. No other nominations heard. Nominations closed.

ROLL CALL ON NOMINATION FOR BOARD PLANNERS: Voting yes were Member Foulon, Member Graceffo, Mayor Mahler, Members Platt, Strobel, Slater, Crilly and Jordan

Regular Meeting:

MINUTES: from the December 17, 2020 Meeting.

MOTION TO APPROVE: made by Councilman Cortellessa, seconded by Member Platt. Voting yes were Chairman Foulon, Mayor Mahler, Councilman Cortellessa, Members Platt, Strobel, Slater, Jordan and Pasquariello

COMMUNICATIONS/REPORTS: Ordinance #1-0-202, which will be discussed later in the meeting.

APPLICATION STATUS: Engineer Cristaldi advised no new applications.

NEW BUSINESS APPLICATION: Sahanas Taxidermy
Property Owner/Business Owner: Charles Sahanas
Property Address: 5 Humbert Place, Wanaque, NJ

Councilman Cortellessa logged in at this time.

Charles Sahanas is appearing on behalf of this New Business Application.

Chairman Foulon: Do you want to explain to us what you are doing?

Mr. Sahanas: I am operating a taxidermy business out of a detached garage. It's an area we do work. It's not a retail business as far as there is no store front. We work on preserving animals in the shop.

Chairman Foulon: Any questions gentlemen?

Vice Chairman Graceffo: What does the ordinance call for in reference to businesses in a residential area?

Mr. Hafner: You do have a Customary Home Occupation and it's defined in the Ordinance under 114-3. (Mr. Hafner read the Ordinance).

Attorney Veltri: This doesn't apply to this use based just on the wording that you read, in my opinion.

Mr. Hafner: That is one of the things that I think you are going to look at. What is the applicant proposing and whether or not it actually fits your definition of a customary home occupation?

Attorney Veltri: Normally, in my experience, we deal with the professional offices, maybe an art studio, or a teacher for a musical instrument. Those are the types that we normally allow. This looks like a separate business and not even in the dwelling. In my professional opinion, I don't think it falls under that ordinance, which would mean he would need to apply for a site plan and/or use variance.

Mr. Hafner: Your ordinance specifically points out that a home occupation includes, but not limited, art studio, dress making, professional offices, dentist, lawyer, engineer, architect, accountant or somebody that was teaching musical instruction to a single pupil at a time. It goes on further to say that things that are definitely prohibited are barber shops, beauty parlors, kennels, commercial stables, real estate offices, restaurants and veterinarians or animal hospitals. So you are absolutely right, part of the things you are going to look at is whether or not this fits the definition of home occupation and, if it doesn't, then the next step is to refer him to the Zoning Board of Adjustment.

Attorney Veltri: I agree.

Vice Chairman Graceffo: It is obvious that this doesn't fit into the character of the neighborhood so it wouldn't really be approved under the present ordinance.

Member Crilly: Can we have a description of what taxidermy is? I know we had some prior violations, but why don't we find out exactly what it is. My understanding is it's a lot of fitting skins over styrofoam forms, and as long as there are no health matters contained within a garage, but I'd like a further description of what taxidermy activity entails.

Mr. Sahanas: That is exactly what it is. Taxidermy is art. I am preserving an animal and bringing it back to a form where it can be displayed. That is basically what it is. We airbrush, we do certainly things to the forms, we get them ready for a skin to be over them, and they are sewed on. There are no chemicals used. We use water-based glue here, we use paint and airbrush. It is considered art. I know one of the other aspects of that ordinance is, because I've read it at length and unfortunately I don't have it with me right now, that it does and can include an out building which we do have. That is what the ordinance does read. As far as anybody going by my business, you can't tell that there is a business in there that is doing that. There is no signage; there is nothing on an outward appearance of that.

Chairman Foulon: What brought this to everyone's attention was a complaint from a neighbor.

Mr. Sahanas: We don't know who it was to be quite honest.

Chairman Foulon: There must be something visible.

Mr. Sahanas: There was a cooler that was put outside that was there and, quite honestly, years ago, I was told it was allowed to be put there when it was put up. It was the past people who were in positions then. That's all I can say about that. It was taken down and removed. That is the first complaint I have ever had. I've been there since 2012 doing this and I've never had a complaint at all. The yard is kept clean, everything is kept clean. I sat down with the past building inspector, Mr. Brusco, and I spoke with him at length about this and I was told this was a customary home business and it is allowed. Obviously, 9 years later I don't want a problem with anything; that's not what I'm looking for. You probably never heard my name before with this business because there's never been a problem there, quite honestly. The cooler was there and it was removed and that's kind of where we are at right now.

Member Crilly: Basically any biodegradable matter is not there; meaning, the skins are treated and any bone structures are already dried out. Could you describe the actual material of the animal that comes into your shop?

Mr. Sahanas: It will come in its raw, it will be worked on as far as if I have to take any kind of skin out there, and its discarded in a garbage can just like anything else. It would be the same as chicken bones or anything else you would be working on. It is put in the garbage and taken by the garbage men, and the then skin goes out to a commercial tannery, it comes back and it's preserved. We don't tan anything there. We don't use any chemicals there for tanning. That's not what is done there.

Member Crilly: What about the actual gutting and skinning of the deer on the property?

Mr. Sahanas: No, that doesn't get done there. No. The only thing that will get done there is if I get a deer. I'm a hunter and that would be my own personal thing, but no not for business. That's not what we do.

Vice Chairman Graceffo: Do you just receive the skin or do you receive the body of the entire animal?

Mr. Sahanas: We receive the skin of the animal, yes. We don't receive the whole animal, no.

Vice Chairman Graceffo: What was the need for the refrigeration then?

Mr. Sahanas: When we would take the animal in, before it gets to the tannery, they would need to be cool and then they get brought to the tannery, to preserve them. I use a tannery in Long Island so that would be the reason why we have freezers that we use to freeze them and then we bring them out to the tannery in Long Island. They come back a tanned product.

Vice Chairman Graceffo: So you don't need the freezer or the refrigeration any longer on that property?

Mr. Sahanas: No, I don't. I used it in the beginning and it was there for about six or seven years and quite honestly it became a shed. It became somewhere to store stuff. It has been actually removed. We weren't using it much anymore.

Member Crilly: Let me just say one thing because you know my wife and I, that is one of our walking routes, and I've seen your operation. The only thing from what Mike Hafner read to us, and I'd like Mike to speak upon this, is that in the summertime it must get warm in there, the garage door is wide opened. I don't know if that is deemed to be an exterior display and I don't know how that would play with the ordinance. That is the only thing in my mind that I see that could be a violation.

Mr. Sahanas: We just open that quite honestly because it is nice out. That's not a problem to keep it closed. It's just nice out to sit in the garage and work.

Member Crilly: In the summertime, we walk by and say hello and the door is wide open so that would be the only thing that I differentiate that from an art studio, in my mind.

Mr. Sahanas: I've seen you walking and you know we keep it clean. It is not an eyesore. It's a good looking building. We keep to ourselves in there. Everything is by appointment when people come to pick something up or drop it off. Everything is by appointment; people don't just show up there. Whoever made the complaint obviously I had a disagreement with at some point. I don't know any other way to explain it. Because all these years I have been there, I've never had a complaint. This year we had a lot of people walking due to covid and there have been people I've never seen before walking back in that area there so maybe it came from there. I really don't know where it came from and, quite honestly, it doesn't really matter. It is done already.

Chairman Foulon: The letter was very scathing to say the least.

Mr. Sahanas: There has never been a complaint by any of my neighbors. Nobody has ever came to the town and complained, as far as I know in all the years that I've been there.

Vice Chairman Graceffo: You claim there is no need for chemicals when you receive your skin.

Mr. Sahanas: Yes sir.

Vice Chairman Graceffo: When you contact the people to do your work or their work, do the people actually process the skin before you get it or do help them during that process?

Mr. Sahanas: They will bring me the skin and then I'll process it, which we call fleshing, and that gets put into a garbage can. It's not a messy thing. The skin is already taken off the animal so it comes in a bag. That's how it comes to me. Some of them come tanned already, but we don't do any in-house tanning. It's just too much and it's a chemical so we don't do that. We use a commercial tannery called Wilderness East End Tannery in Manorville, Long Island, and that's where everything gets sent to.

Chairman Foulon: Any other questions gentlemen? I don't know if we can vote on this or not. I'm still questioning whether it is a permitted use and whether it should go to the Board of Adjustment or not. Steve, I'd like some guidance from you.

Attorney Veltri: I think the applicant is trying to hang his hat on the ordinance that Mike recited to us. If that is not the case, I'd like to know what other ordinance or provision he is relying on. But assuming that is the provision, the proper Board to interpret our ordinances is the Board of Adjustment, not the Planning Board. I don't think this squarely fits within the provisions of the ordinance. I think some of it does, and I think some of it may not. I think really the proper technique that we should use at this point is he can apply to the Board of Adjustment for them to interpret the ordinance and listen to what he says his business is. If they feel like he doesn't need a Use Variance, then he can come back to us on the Business Application. If they think he does need a variance, he would stay that that Board and apply accordingly. I have the ordinance in front of me and I see some things in the ordinance that he does comply with, but I see other things that he may not comply with, so it really is a matter of interpretation for the Board of Adjustment. I think the way it should go is I don't think that we should send it; I think we should, at this point, deny the application, without prejudice, subject to the applicant applying to the Board of Adjustment for an interpretation of the ordinance.

Chairman Foulon: Okay, very good, and I'll entertain that Motion right now.

Member Crilly: Steve, will this ultimately then be coming back to us?

Attorney Veltri: Maybe. Ultimately, they believe that the ordinance doesn't apply to his use, they can then hear his variance application and grant the variance and the site plan and it would not come back to us.

MOTION TO DENY APPLICATION WITHOUT PREJUDICE AND FORWARD MATTER TO ZONING BOARD OF ADJUSTMENT: made by Vice Chairman Graceffo, seconded by Member Slater. Voting yes were Chairman Foulon, Vice Chairman Graceffo, Mayor Mahler, Councilman Cortellessa, Members Platt, Strobel, Slater, Crilly and Jordan

NEW BUSINESS APPLICATION: In and Out Smoke Shop (Hookah Store)

Property Owner: Aeran Park, 1082-1088 Ringwood Avenue, Haskell, NJ

New Tenant: Ahmad Musbbah & Wael Oathous, 382 Lakeview Avenue, Clifton, NJ

Property Address: 1084 Ringwood Avenue, Haskell, NJ

This is located across the street from the Haskell Town Center, next to the karate place and was previously Luna's Grocery Store.

Ahmad Musbbah is appearing on behalf of this New Business Application.

Chairman Foulon: Please explain what your business is, please.

Mr. Musbbah: It is actually a store for hookah, pipes, selling tobacco and cigarettes.

Chairman Foulon: Eventually marijuana?

Mr. Musbbah: When it is approved, we are going to apply for the license.

Chairman Foulon: That's what I meant, when it was approved. Gentlemen, any questions?

Vice Chairman Graceffo: What are the operating hours of the store?

Mr. Musbbah: From 10am to 10pm.

Vice Chairman Graceffo: How many employees you intend on having there?

Mr. Musbbah: 2

Vice Chairman Graceffo: As of right now, the State does not approve the selling of marijuana, so what exactly products will you be selling? Just tobacco products?

Mr. Musbbah: Yes. We are not going to sell something that is not legal there.

We are going to sell only cigarette and tobacco plus the accessories for hookahs and pipes.

Mayor Mahler: With respect to the marijuana, the way it's been presented to us is that each town gets to choose whether they want to approve either marijuana sales or marijuana growing or both. The town gets to set rules and regulations for selling or growing marijuana. We may elect not to allow it or we may elect to allow it. We are waiting for the State to come out with the regulations first. Once they come out with the regulations, we are going to have 6 months to decide whether we want to allow it in town or not. Some towns have already come out saying they aren't allowing it. Our position is let's wait and see what the rules are first before we make an informed decision based upon the facts.

Mr. Musbbah: Unless you guys approve it, we are not going to sell it. Our business is mostly tobacco and cigarettes. If it is approved, we sell it, and, if not, it's okay. For us it is not a big deal.

Mayor Mahler: There is a good chance we won't allow and if we do allow it, we are going to put a lot of restrictions on it. That location is probably way too small for all the restrictions we are going to put on it.

Member Slater: What about parking?

Mr. Musbbah: It is in the back of the building.

Member Slater: Doesn't the auto parts have a lot of those parking spots claimed or designated.

Mr. Musbbah: No, we have at least 9 parking spaces. There are 4 or 5 spots open all the time.

Member Platt: They are not all for you though. You got a hairdresser there and the karate guy.

Mr. Musbbah: Yes, we understand. The karate guy people drop off and go. Same as us, people will come and buy and go. There are no people staying.

Member Crilly: From your name "In And Out Smoke Shop", are you going to have a smoke room there or is it going to be in and out retail with tobacco products, hookah and pipes?

Mr. Musbbah: No, we are not allowed to smoke inside the store.

Chairman Foulon: Any other questions? Do we have a Motion?

MOTION TO APPROVE BUSINESS APPLICATION: made by Vice Chairman Graceffo, seconded by Member Slater. Voting yes were Vice Chairman Graceffo, Mayor Mahler, Members Platt, Strobel, Slater and Jordan
Voting No were Chairman Foulon, Councilman Cortellessa and Member Crilly
Motion Carried

DISCUSSION: ORDINANCE #1-0-2021

ORDINANCE OF THE BOROUGH OF WANAQUE, COUNTY OF PASSAIC, NEW JERSEY, ADOPTING A REDEVELOPMENT PLAN FOR THE PROPERTIES COMMONLY KNOWN AS BLOCK 400 LOTS 11, 12, AND 13 AND BLOCK 460, LOT 9 AS INDICATED ON THE TAX MAP OF THE BOROUGH OF WANAQUE SITUATED ALONG OR IN THE VICINITY OF UNION AVENUE

Member Leonard logged in at this time.

Robert Benecke, Benecke Economics, Borough Planner

Mr. Benecke: I represent the Borough Mayor & Council and the Mayor & Council have introduced an ordinance to implement the area in need of redevelopment that was adopted last year as a study area and now it has turned into a redevelopment area. As far the several redevelopment areas that have been accomplished in the Borough over the last decade or so, this may be the most straight forward and yet the most complicated in some ways. This area is an area to the west of Greenwood Avenue, along Union Avenue. It is a 28 – 30 acre site and it is currently zoned RD-2, which is a Research & Development Zone, which requires a planned unit development for non-residential uses. There is one house or structure on the property, four lots combined property that is owned by the potential redeveloper and the property is allowed to have such uses as offices, commercial uses, retail, etc. In addition, one of the uses is a warehouse use. The warehouse use is a conditional use. The conditional use is limited to ground floor and is limited to building with other buildings. In other words, if you build offices, you can have a warehouse. If you build retail, you can have a warehouse. That is the condition in the current ordinance. What this redevelopment plan does is it combined the four lots, Block 400 Lots 11, 12, 13 and 11.02. There may be other lots associated in the future, but those are the four basic lots. As a matter of fact, two basic lots are 11 and 12 and you 13 along the property. These lots are right off of Union Avenue to the west of Greenwood Avenue across from the Twin Lakes area. It is currently zone for non-residential uses, including offices, retail, other commercial, including research and development. It is intended to be a planned unit development and warehouses are a conditional use. Warehouse use condition is based upon it being linked with other non-commercial uses. What we are attempting to do is take the redevelopment of this property that has been historically a difficult site even though it has been zoned as such for decades and place it into a realistic plan. The property owners would like now to make this into a commercial warehouse/fulfillment center/distribution type of center of not enormous NJ Turnpike type of means, but more of a local distribution type of warehouse center. The redevelopment plan calls for the conditional use being modified by this plan and this plan would then turn the warehouse use into a warehouse use as a permitted principal use. The policy objectives are to provide for public and private partnership to promote economic development. We estimate realistically at 300,000 square feet that you'll have 600 employees, perhaps as little as 480, perhaps as many as 700 employees here. We've asked and will ask in our redevelopment agreement for the potential redeveloper to do positive recruitment within the Borough of Wanaque and that's something we believe strongly in. These will be well paying jobs and various types of labor, various types of drivers, various types of fulfillment types of jobs and they

will be quality jobs. We also want to make sure that this is promoted in a commercial manner and where appropriate we'll utilize redevelopment financial and non-financial incentives to develop the site. This is important to us as well because we would like to have our development fee for affordable housing and that fee would be used for the improvement of the area in need of rehabilitation, especially in Midvale and Haskell, to improve those homes that qualify for affordable rehabilitation upgrades. This is important and is one of the focal points of our efforts going into 2021 and 2022. We want to also confirm that you are going to have compliance with the zoning ordinance and you, the Planning Board, will maintain control over site plan. There will be a traffic study and there'll be redevelopment elements and controls as part of the redevelopment process. We are going to be supportive of environmental constraints as part of the redevelopment plan as well as in the redevelopment agreement. The property owner/redevelopment has taken almost a year to go through the sensitive environmental issues on the site and they will be delivering to you, hopefully, sometime over the very last spring or early summer, some site plan and concepts for the Planning Board and the Council to review and look at. We go through the statutory criteria on page 8 and 9, and we talk about the consistency with the master plan, which this body is intended to do. There is not a lot of consistency with the master plan issues here because this is already a permitted use, albeit a conditional use, and the other non-residential uses that are a companion piece are in the ordinance itself already. Just for the record, it is the Zoning Ordinance §114.5. We are sensitive to the traffic control issues. The redeveloper has engaged a quality traffic engineer and has started discussions with the Passaic County Planning Board, as well as the State, to develop their property. We have some of the same conditions as others along Union Avenue to provide for improved traffic signalization and the like. The relationship to the master plan and the local goals and objectives is routine and again this use is a conditional use and the non-residential use is called for in the RD-2 Zone is a companion to the warehouse uses, the office uses, etc. as well as some of the retail uses and some of the other uses in the principal use list of the RD-2 Zone. Finally, we just want to get into some of the other issues. They will have a landscaping plan, lighting plan, utility plan and these are some of the things that are above and beyond, if you will, that's found typically in the ordinance. These will be for you to review and discuss with the property owner. They will have an environmental remediation requirement to coordinate with Alaimo, Mr. Cristaldi, to make sure that the Borough Engineer really looks at this property and really goes through all of the infrastructure, environmental preservation and all the public utilities and easements issues as well. We call these out so the redevelopment understands that he/she needs to go through the engineering process and site plan process with you, as a joint venture, and with the Governing Body. You, the Planning Board (page 15), can grant all the bulk standard deviations that you want. It's a little bit different than our other plans. We've made this much more flexible for the Planning Board because it is in a unique area, it is in a previously zoned non-residential area, and it is in a zoned dense area, if you will, so we want you to be involved in the site plan process consistent with this redevelopment plan. One other issue for you, the bulk regulations, are all specified on page 12, and what we have is a bulk standard where along the Greenwood Avenue properties, the boundary with the Greenwood Avenue properties we are requiring a 100' buffer. That is one of the larger buffers in the town. The remaining property buffers are 50', except for Union Avenue, which is a public street and country road, and the county will guide the final egress and

ingress, but that will be up to a very modest buffer. It could be a feeder lane or could be wide access points depending how the traffic engineers want to scope Union Avenue out. That said the 100' will apply to the Greenwood Avenue boundary. All the other boundaries are 50'. The height requirement is 48'. If you wanted to make it higher, the Planning Board can, but we do not suggest it. A typical use such as this would be 36' or 38'. They are normally built in erector sets; however, we don't want to diminish the fact that we could have some offices in here. We have a bulk requirement of not greater than 500,000 square feet. Keep in mind this is almost 30 acres and here is somewhere in the neighborhood of 1.3 million square feet of ground and we are limiting it to 500,000 square feet of space. We don't want to go above that and our estimate is that you will be looking at approximately 350,000 to 410,000 square feet. No more than 410,000, but we do allow them some flexibility for mezzanines, for an outbuilding and even for some retail. We would love to see a small retail strip provided that the traffic can handle it, etc. Again, the redevelopment agreement we are excited about because we would like to have as many Haskell, Midvale and Wanaque employees or employees come from those areas. That is the redevelopment plan before you tonight. I don't mean to bore you with a lot of the ins and outs, but the courts have required us to go through a lot more of the details even though this is a more standard redevelopment plan moving a use from one bucket to another for conditional from the principal permitted, but we wanted to make sure that you saw and have it in front of you. Any questions?

Chairman Foulon: Do you want to explain to the Board the Pilot Program and the benefits to the town?

Mr. Benecke: A pilot program, especially on non-residential properties, provides for two minimums, and generally it is 10% of gross revenues. As an example, if 300,000 square feet is rented say at \$10 a square foot, its \$3,000,000 a year, the Borough would receive \$300,000 in a pilot payment and 95% of which would stay with the Borough. In addition, we would receive a 2.5% development fee for the aforementioned affordable housing. That \$300,000 multiplied by 95% would allow \$285,000, per year, to be used by the Borough however it sees fit. This would increase as rents or annual gross revenues increase. This is a minimum so it could be 12%, 11%, and in some cases it could be 14% or 15%. We just negotiated one in Essex County at 20% for a rich apartment complex, but you get the point that it's flexible and it generated into the town's coffers. That is the benefit. The other 5% does go statutorily to the County. The other advantage is, and I'm sure you read about the tax levy caps and budget caps that municipalities operate under, this revenue is excluded from those caps. In addition, the money can be used for direct capital purposes that the Borough wishes. If there is a road across town, or a sewer that needs to be tended to in a residential neighborhood, this money can be earmarked for that directly. This is how the parking lot at Doty Road and Ringwood Avenue was built through this type of mechanism. It was a \$40,000 amount that the pilot money actually paid for. That is the benefit. Residential properties are a little bit different especially with affordable housing because that does generate school age children. We get into those other issues that we don't need to get into here because, again, there is no real service impacts in terms of schools, police officers, this will be a sprinklered building, they will have their own waste management program, and the like. Of course, it is a county road which benefits us in a way because those improvements would have to be made through the County and the County will

obviously obligate the redeveloper to pay for any of those improvements and coordinate them with our engineering firm.

Member Strobel: You were talking about the history. I've been here 25 years and I've never heard of any kind of development or redevelopment in that area. What were the issues before or why wasn't this ever brought to the town before?

Mr. Benecke: Very carefully and gingerly, this was a Highlands Planning Area and this area was an extension or the last parcels of property in the Designated Town Center and that's in our Haskell Town Center. There have been other feelers for non-commercial property, in other words residential development, and because this is zoned commercial, we have repelled those feelers so we wanted to make sure that this was brought to you. Again, this has been on the board for about fourteen months. The Planning Board did look at this in terms of the property dynamics last summer and there haven't been any serious non-residential proposals here as far as I know over the last ten years.

Mayor Mahler: I believe after the Holiday Inn opened up in 2008, the owners came to us and we added to that zone hotels and retails. They were interested in building a second hotel there. Pretty much the guy told me at that time was this interchange would support a new hotel every four to six years and we also rezoned Union Court as a redevelopment zone. What happened with that is the owner of the Holiday Inn had a disagreement with his partners and they brought him out and he went away. Then the hotel business in New Jersey outlook changed a little bit and the Holiday Inn was not interested in building a second hotel. His plan was for them to own all the hotels at the Wanaque exit but that idea dried up. Somebody approached us about the warehousing, which seemed to be a very good use. It employees people, it is near the highway, it's not going to effect the rest of the town and it is a good ratable. I think it is a good use. I would have liked the hotel, but I think this could even be a better use.

Mr. Benecke: From an employment perspective, it would be a very positive thing for the community if, indeed, the population is there to service and be employed at the facility.

Mayor Mahler: Wanaque people getting first crack at these jobs which is a good advantage for us. I think it works.

Member Slater: Have you considered it as a commercial campus? Maybe eight or ten units in a row where a guy such as an electrician or a plumber could have a shop and garage where he can keep his vehicle in, or a cabinet maker? Is that in the realm?

Mr. Benecke: That is always in the realm. They could be collected like that. We have seen a smaller warehouse with a larger warehouse. The smaller warehouse then would be "flex space". You could have your cabinet maker, and your clean auto storage, high-end cars for example, and another could be a Benjamin Moore paint shop out front with a distribution center to the Oakland and Butler stores, etc. That is another possibility and it's actually a good thing. Again, assuming the traffic could handle it. Keep in mind that this was the RD-2 Zone which allows for offices and other uses as well. So the answer is yes. In terms of the warehouse space itself, typically a user would want to come in and take 100,000 square feet. If you have 300,000 square feet, you could have two or three users of 100,000 square feet of space. If that is not attractive and you are able to sell or lease 50,000 square feet, that is indeed what you would do and you would fill it up on that basis. There is no real warehousing space like this between the top of Oakland and maybe Mahwah all the way down to the general Parsippany area.

Member Slater: Are you familiar with the old Garden State Farms property in Hawthorne, north of Hawthorne Chevy.

Mr. Benecke: I know Hawthorne Chevy, but I don't know the other, Garden State.

Member Slater: If you go on Goffle Road towards Midland Park, it is to the left and it lies back in there and that's what they are. They're a row of buildings with condominium type setups where different little online businesses have distribution and that kind of thing. It is always busy and always a demand for the property. They have done the same in some of the old Braen Property up in Wyckoff and, again, always full and never lacking for tenants.

Vice Chairman Graceffo: You mentioned that obviously if we move it to warehousing, but it still has to have some sort of retail or office space in order to fit into the ordinance that we are putting out there, is that correct?

Mr. Benecke: No. The purpose of this to modify the zoning provided that the 28 acre minimum is achieved to allow, as a principal use, the warehouse use.

Vice Chairman Graceffo: You are trying to justify the warehouse use then? Is that what you are basically trying to prepare for us in this ordinance?

Mr. Benecke: To be very direct, yes.

Vice Chairman Graceffo: Block 460, Lot 9, where is that located in reference to the lot. I didn't seem to get that when you had the graph up.

Mr. Benecke: That is to the north of there.

Vice Chairman Graceffo: You mentioned that the actual building will be approximately 500,000 square feet, correct?

Mr. Benecke: No. I said the maximum size would be 500,000 square feet. We estimate that it will probably be between 350,000 and 410,000. We did not want to reduce the amount and diminish the amount artificially before we saw a live site plan. We did some early on layouts that showed as much as 650,000 to 700,000 square feet, which was too much, so we are limiting this again to approximately 28 to 30 acres, which is approximately 1.3 million square feet, and the maximum building would be 500,000 square feet. Keep in mind that would be constrained by the 100' setback to the east along Greenwood Avenue, and the 50' setbacks around the entire perimeter except Union Avenue.

Vice Chairman Graceffo: I understand that. You are actually saying that the building area would not be more than 500,000 square feet and not more than 48' in height.

Mr. Benecke: Correct.

Vice Chairman Graceffo: You also indicated that there would be approximately 700 possible employees accessed primarily thru Wanaque residents. Between the building space and the parking spaces, how do those numbers jive? In my mind, they don't between the parking and everything else. The building itself takes up about 1/3 of the entire square footage of the property and you add almost another 1/3 of that for parking, there is not much left.

Mr. Benecke: You still have 50% left; maybe 40%.

Vice Chairman Graceffo: The whole entire area is about 1.3 million square feet and the building is 500,000, so right there you are down to about 800,000. Parking will probably take at least 1/2 of that, am I right?

Mr. Benecke: Parking will take 250,000 square feet, give or take.

Vice Chairman Graceffo: We just went through a big discussion with the mining business there and the trucks and there was a lot of big squawking about that. Now you are talking about 700 employees plus traffic into the warehouse, how do you think this traffic study is going to fair out in terms of us handling it for the community?

Mr. Benecke: The traffic improvements along Union Avenue are going to be there. That is demanded and imbedded, and that is one of the reasons why Tilcon took so long is that the County Planning Board put them through the ringer. They are going to have to make due with their easements, in other words, acquire their easements, widen the road, do the Susquehanna improvements, perhaps put the traffic signal in, but certainly put in all the guts for the traffic signal. This project will have to go to the County Planning Board and I might caution you that the use here, the RD-2 use, is actually much more intense than the warehouse use. The offices that were allowed with warehouse, the retail that was allowed with warehouse, the research and development center that was allowed in a p.u.d. concept with warehouse, retail and office could have generated three to four times more traffic than this, by right.

Member Slater: Do you have a restaurant as a permitted use, like a Cracker Barrel, or something like that?

Mr. Benecke: It is a permitted use in the underlying zone, but we doubt a Cracker Barrel, or something like that would come to this interchange. This is why, as the Mayor noted, thirteen years ago he started some conversations and we've now come to this non-residential property. I underline intentionally the non-residential portion, non-residential property owner who seems to be clearing the hurdles of DEP, who seems to be clearing the hurdles with the Highlands Council after a year of research, after going through the study and after going through the proofs. By the way, just to remind you, you will have full authority over the site plan application. Yes, you have your bulk standards, you have your use, now it's a principal use, but you will have authority for ingress, egress, measurements, building design. This is a redevelopment; it is not standard zoning. You can get into your design discussion, and please do. That is not a problem. It is not a residential building that we are trying to pre-design. This is a non-residential building that we want your valid input on it, including the site layout. This is a much better use at 350,000 to 410,000 square feet than the p.u.d. that was envisioned in the RD-2 Zone, and a much less dense use and it is non-residential. We are not asking for six hundred apartments here, or even three hundred apartments. Nobody is even suggesting this and that would be much worse.

Member Slater: You are not considering a single 350,000 or 400,000 square foot building like Preferred Freezer or one of those types of operations.

Mr. Benecke: Not right now. Again, once the plan is in effect that the property owners will bring you site plans and they will perfect their site plan once the plan is in effect and that they have the right to move ahead.

Vice Chairman Graceffo: Obviously, that property itself has been always looked at as a difficult area to develop because of its rock outcrop areas and its steep slopes. How is that going to be taken into consideration? You are going to take everything and condense it and put it into a denser field in order to get around the steep slopes and the rock outcrops?

Mr. Benecke: To answer your question directly, yes.

Vice Chairman Graceffo: Basically, most of the development will be towards the front of Union Avenue. Would it not be?

Mr. Benecke: It would be and then what you would have is your access points would push at least one building, based upon the site plans we've seen, up into the middle of the property so that you are not driving around the buildings, at least right now, so you are pushing the building up say to 50% point of the hill, if you will, and then the drive up would then occur and then you would have your parking either along the side or the back. Keep in mind that you are going to be constrained along the eastern side, where Greenwood Avenue is, because we have that 100' setback. By the way, you also have a landscape plan that the Planning Board controls and, of course, your engineer, and the entire site would be controlled by your engineer in terms of stormwater, green infrastructure, and all of those types of things would be controlled by the Planning Board.

Vice Chairman Graceffo: One of my major concerns is that we always get involved with these redevelopment plans, and we set out the structure for it, and then what we find when the plans start coming into us and we look at them, we always find that they are more than what we really want. They always seem to be bigger than, more complex than, more than what we really need. I understand that we are looking for the economics in this, obviously both for the developer and also what would benefit the town. I just hope that we have enough structure in this ordinance that provides us with, like you said, the ability to put a little control over exactly how much of the density gets used on that property. I think it is going to be a very difficult property to really develop and put into place some of the things you are talking about, and I would hate to see this be squashed in there and densely fit just so we meet the requirements of this ordinance. That is the one fear and concern that I do have as I look at this ordinance.

Mr. Benecke: Let us talk about that; it is an extremely important point. We have four principal redevelopment projects in town. We have what is called Parkside, what I call Lakeside, the Haskell Town Center, which has the A&P Liquors and the restaurants on the bottom and retail and the two stories of offices and gyms, etc., and we have the Rhinesmith property. Those are the four principal redevelopment areas in town. The Tilcon area is not *per se* a "real" redevelopment area. For example, there is no pilot program, the construction is limited to site work and it's more of a convenience, if you will, to redevelop the site to provide for a road, which couldn't have otherwise been provided. Parkside was the old candle factory. The old candle factory had its original proposal 15 years ago at well over 120 units and we tripped them back to about 80 units or so. We also have a COAH obligation that we satisfied. Ditto with Lakeside. Lakeside, I think, came out to be pretty nice. Neither one of those projects has a pilot on them. Those are regularly taxed projects. Haskell Town Center does have a pilot and that pilot actually runs up I believe in four or five short years. The Rhinesmith property is approximately 29 units and is all work force housing, which means it's not \$2,300 a month luxury apartments. Its \$1,850 per month work force housing and it's been up for about three years. They are now paying their sewer and water connection fees, one of their principal installments on the recreation piece they've been billed for. Keep in mind, the rock outcrop project that is adjacent to, and along Ringwood Avenue, that's a 36 unit apartment building that's not even a redevelopment. That is also a COAH qualified inclusionary zoning unit. We decided/declined having a redevelopment up there. That is a regularly zoned piece of property. While we think along the lines of redevelopment because it seems a little bit

overwhelming at times, because we dealt with Doty Road, Haskell Towne Center and Midvale in terms of Rhinesmith, we really don't have that many projects. We only have those four principal projects and each one, I think, has been added to the town. There has been some traffic issues, no question, but they satisfied work force housing needs, helped satisfied our affordable housing statutory obligations and Haskell Town Center has turned into something reasonably nice over the last ten/fifteen years, the candle factory was a nightmare site and we also had a fifty year old *in rem foreclosure* where we had an excess of delinquent taxes due over at the Lakeside project and we were able to figure that out with the redevelopers and that was one of the advantages there of redevelopment. Joe, I'm not debating the issue because I know it gets very emotional sometimes because we are dealing with issues that our outside of the box, but we really only have four projects plus Tilcon and this will be a new one.

Vice Chairman Graceffo: Getting back to this is a pilot project, the town still gets assessed taxation on it, does it not?

Mr. Benecke: No.

Vice Chairman Graceffo: Does that pilot program every run out?

Mr. Benecke: Yes. Haskell Town Center was a 20 year pilot and the statute allows up to 30 years. Haskell Town Center money was used, for example, to build the municipal parking lot on Doty Road, service the air conditioning business and some of the other businesses along the southern part of Ringwood Avenue. The answer to your question is that they are subject to negotiation with the Governing Body and we look at a breakeven point between regular taxes and the pilot to see what makes sense. There is a different formula for warehouses, but again, its 10% of annual gross revenues is the floor. The only modification is for grocers and hotels and you typically use the alternate method, which is 2% of total project costs, because the annual gross revenues of a grocer and a hotel is so high that the annual gross revenue method is really a non-starter. The answer to your question is it's negotiable with a maximum of 30 years and minimum of 10%.

Vice Chairman Graceffo: So at the end of that period of time, it would become the assessed value in the tax base?

Mr. Benecke: Yes.

Vice Chairman Graceffo: There is always an option to renegotiate the pilot.

Mr. Benecke: No, there is no option to renegotiate. You negotiate it once and then it runs out.

Vice Chairman Graceffo: When it runs out, what do you do?

Mr. Benecke: It is really taxes.

Vice Chairman Graceffo: It becomes a tax base. When the Town Center runs out and they are no longer under the pilot, their appraised value will be assessed and that becomes their taxes.

Mr. Benecke: That's correct. There are two limitations on that. The first limitation is at some point in the pilot program, especially at the 30 year program, you have to pay a minimum of 80% of regular taxes so that you don't hit a waterfall and just jump off the waterfall and you go from \$1,000 to \$20,000 a year. There is that 80% requirement. In addition, the redeveloper must establish an Urban Renewal Entity. A special purpose U.R.E. so the revenues, the expenses and the capital can only be used for that project. That project's operating income is a statutory basis, not a gap basis, is limited to 12% annually.

An investor grade investment right now is running at 15%-16% because of the risks in the market place. So 12% is the statutory amount of project that operating income on a statutory basis is quite strict that the U.R.E. is allowed to achieve. So those two limitations are very clear.

Vice Chairman Graceffo: In terms of its impact on the affordable housing, you indicated that obviously we would get an income to rehabilitate units in the town that have been identified already as areas that are in need of refurbishing. Is that correct?

Mr. Benecke: Yes. It is called an Area In Need of Rehabilitation and falls under the COAH regulations as "Present Need Rehab Regs". It is literally a nightmare, but that said, we have already cataloged most of the town as part of our COAH work. What we now need to do is take those abodes/units that require rehabilitation and match it with the internal people that live there with their incomes so that we now have identified those abodes that require rehabilitation and the next step is to canvass them on a very confidential and non-disclosable basis, get the incomes of the unit owners or unit occupants to see if they qualify for COAH's affordable housing assistance. This 2-1/2% that we would achieve from this project will be used to help pay to improve those homes.

Vice Chairman Graceffo: Do we actually have a number of identified units?

Mr. Benecke: We do, and it is quite substantial.

Vice Chairman Graceffo: The community has aged.

Vice Chairman Graceffo: The other big impact of this whole entire project is going to be really the traffic. Do you see it mostly being truck traffic or employee traffic, and if warehousing, are you talking trucks, or retail, or condo units? How are we going to go about getting a firm understanding of the traffic impact if we really don't know what the units are going to contain?

Mr. Benecke: We are going to use the traffic engineering firm that's already gone before the County Planning Board for their proofs and rely on their studies. They are required to deliver you a study with proper ingress and egress, time of day and the like. If we need to put restrictions on them site plan wise, you will do it. I don't see the necessity now, but as the proofs come in, you may want to. I remember Taco Bell's site plan where you had some issues with some tractor trailers navigating Greenwood. Perhaps you could do something like that here where you make a suggestion that the trucks should navigate Greenwood or the entrance and exit to Union Avenue in certain manner. Keep in mind that the developer/redeveloper here, unlike perhaps Susquehanna's redeveloper, don't want a traffic nightmare. The other user across the street may not care; this user cares. They want to get their employees in safely, they want to have their trucks navigate safely, they want to be in compliance with all DOT regulations, and they want to be in compliance as a good neighbor. They do not want to have a bad feeling. They can't control their tenants perhaps, but they don't want it from a business perspective. The fellows across the street may not be as sensitive; these folks are will be more sensitive. Again, I just go back to the underlying zoning which is much more dense and much more critical, if you will.

Member Slater: A comment was made about the rock and the conditions on site. Today, the developer will go in and not worry about those conditions. I look at a very prime example from Wayne on Hamburg Turnpike, above Valley Road, they went in there and

took about 1,000' piece of property, it was all up and down, and put in shopping center in and put a bunch of prefab type stone walls, etc. and really made something nice out of it. There's no constraints so much anymore; they'll go in with a hammer and break it up, flatten it out a little and step the building up and make use of whatever they have to out of it.

Mr. Benecke: That area is not part of, I don't believe, the Highlands Planning Area A and B. If I have the site correct, that was subject to twenty years of litigation to get to that point of development. We haven't gone through litigation here, we don't have any type of construction rights or making the conditional use in court, and, as a right use, we didn't go to the Board of Adjustment, which they could have done because this is conditional use to garner site plan approval, they didn't also put in some tangential retail use, but a warehouse and then flip it on us and then have a litigation piece like that. This is done very straight forward and, again, this requires DEP approval because it is in the Highlands Planning Area.

Chairman Foulon: Anyone else? That being said, I'd like to take a vote on this and advise the Mayor & Council that we approve of this and feel it is in the best interest of the community to pass this Ordinance. Do I have a Motion?

MOTION TO ADVISE MAYOR & COUNCIL TO APPROVE ORDINANCE #1-0-2021: made by Member Crilly, seconded by Member Slater. Voting yes were Chairman Foulon, Vice Chairman Graceffo, Mayor Mahler, Councilman Cortellessa, Members Platt, Strobel, Slater, Crilly Jordan and Leonard Motion Carried

PUBLIC DISCUSSION: Let the record show no one in attendance come forward.

RESOLUTION: None

VOUCHERS: submitted by Steven J. Veltri, Esq. for attendance at February 18, 2021 Meeting in the amount of \$400.

MOTION TO APPROVE VOUCHER: made by Member Leonard, seconded by Member Strobel. Voting yes were Chairman Foulon, Vice Chairman Graceffo, Mayor Mahler, Councilman Cortellessa, Members Platt, Strobel, Slater, Crilly Jordan and Leonard

MOTION TO ADJOURN AT 9:17 P.M.: Motion made by Member Slater, seconded by Member Platt, and carried by a voice vote.

Jennifer A. Fiorito
Planning Board Secretary