

TOWNSHIP OF OCEAN
WORKSHOP/CAUCUS AGENDA
May 28, 2009 – 7:00 pm

NOTICE OF THIS MEETING HAS BEEN PUBLISHED
IN ACCORDANCE WITH THE REQUIREMENTS OF
THE OPEN PUBLIC MEETINGS ACT.

Flag Salute

1. Roll Call Mayor Kraft X Deputy Mayor Reilly X
 Committeeman Lachawiec X

Also Present: Mr. Mosca X Mr. Monaco for Mr. McGuckin X

PRESENTATION: SORA HOMES Homes

Eric Goldstein, Attorney for Sora Homes Holdings
Greg Philabeck, Principal
Bruce Pharo, Director of Development
John Mullen, Director of Leasing and Acquisitions

Mr. Goldstein presented an overview of the Sora Homes Homes proposal on the Redevelopment of the Township of Ocean Town Center and gave a power point presentation of existing jobs and the proposed Town Center job.

Mr. Pharo stated the Town Center is a 5-10 year project, due to the size. The first year is the due-diligence process, checking with the state for environmental wetlands, etc. and marketing studies to determine the best mix of retail, commercial and housing for this area.

This project will come in multiple phases. The phasing will be by location or type of building, depending on the economy and the progress of the project. The ladder phase is the Northern part, which could be a strip center. The market will dictate the mix. The next phase is office space.

It is not the goal of Sora Homes to build something and leave. Sora Homes will have a presence long after the project is completed. The goal is to integrate with the community.

A discussion took place regarding housing.

Michele Rosen, 29 Bradley Beach Way inquired if other companies will be doing presentations.

Mayor Kraft stated a couple of companies have expressed interest. None have said they want to do a presentation.

Ms. Rosen inquired if this project is under the pilot program.

Mayor Kraft stated no.

A discussion took place regarding lack of interest in renting retail space.

Mr. Pharo stated a builder does not go out and build without renters. A study will be done ahead of time. Sora Homes will have letters of intent from national, local or regional restaurants. The process will not be started unless it can be finished.

Mr. Goldstein stated this is a 5-10 year project. The first year will be market studies. This is not the first recession Sora Homes has ever been in and it won't be the last. In 2-3 years, when construction is started, the town might be in a completely different market. Housing is already starting to come around in the State of New Jersey. The phases will be driven by the market.

Ms. Rosen inquired how many employees Sora Homes has.

Mr. Goldstein stated Sora Homes has two offices, with 35 employees. The offices are in Maryland and New Jersey.

Joe Randazzo inquired if Sora Homes will share the risk.

Mr. Goldstein stated Sora Homes is going to take all the risk. The township has zero risk. The town benefits once the job is completed. Sora Homes's benefit is selling and leasing units. The township is not spending money to build it. Sora Homes will not build beyond their means.

Committeeman Lachawiec inquired why Sora Homes did not respond to the RFP that went out.

Mr. Goldstein stated Sora Homes did respond to the first RFP. The response did not meet the needs of the town. When the second RFP went out, the process started all over again. Sora Homes was the only respondent to both RFP's.

Joan Tredy, 131 Englewood, stated there are a lot of interesting concepts. Eventually, the housing market will increase. That doesn't mean Waretown wants to see three or four hundred units there and bring in five or six hundred kids to the schools.

Mr. Goldstein stated Smart Growth policies determine the amount of homes built on a limited basis. Smart Growth gets the town to a place where everybody is happy. This concept will probably change a dozen times in the next year. Part of the changes will come from the input of the townspeople.

A discussion took place regarding the traffic study.

Mayor Kraft stated the project is contingent upon the town getting a permit to build the Volunteer Way extension.

A discussion took place regarding multi-family units and COAH requirements.

A resident stated there is no decent conference center or catering hall. There is a beautiful lake with township owned land. That could be the gateway from the parkway to retail.

Mr. Goldstein stated a conference center would make more sense for Sora Homes.

Mayor Kraft thanked Sora Homes for their presentation.

CMX Engineering – Update Volunteer Way Extension

Jim Oris, CMX Engineering provided four different options for a typical cross-section of the extension of Volunteer Way. Volunteer Way would be a road that connects from its current term out to Route 532, Wells Mills Road. That road is the vehicle, which will bring the traffic into the new town center area and alleviate some of the traffic conditions at the current intersection of Route 532. It will encourage preservation of property outside the town center area.

Option A: The right-of-way is 130 feet to secure for any future improvements. The road will need to be elevated to provide a barrier to prohibit pine snakes from crossing onto the road. There will be a 12 foot travel in each direction and an eight foot shoulder.

Option B: Wider area of construction with a center island. There is an assignment for a bike path or golf cart lane. The County will not accept a bike lane on a County road.

Option C: 9 to 8 foot cleared area. Drainage for water quality is at the base of the wall. It reduces the amount of construction elevated out of the ground. It is the most cost-effective method to meet the DEP requirements to provide for a road system that will not negatively impact the pine snake habitat. Retaining walls will vary with the contour of the grade and will be approximately 3-4 feet, with guardrails along the length of the wall.

Option D: The road will be elevated for the snake tunnels, however, instead of a drop off, a swale will feather up to a retaining wall. There will be erosion issues because the swale is steeper than normal. There will also be issues with growth. Smaller animals will not be able to find a way out of that swale.

The benefit of going with Option C or A is that the clearing of woods to construct would be small, limiting the impact to the environment.

Mayor Kraft stated with Option B, a big barrier down the middle of the roadway would have to be built, which is very expensive. The barrier would run from the Fire Academy to Route 532.

Mr. Oris stated the cost per linear foot under Option B would be in excess of \$1,500 per foot. Option A would be \$1,400 per linear foot. Option C would be \$1,300 per linear foot. Option D would be \$1,200 per linear foot. These are very rough estimates. The snake tunnel requirements could be refined to reduce costs.

Committeeman Lachawiec stated Option C is really \$1,531 per linear foot.

Mr. Oris stated only if you include a 20% contingency. 20% is much too conservative. Option A would be approximately \$7 million. Option B would be \$7.5 million. Option C is \$6.5 million. Option D is \$6 million. These are not hard and fast costs. It is to give the town an idea of the difference in costs between the four options. The biggest cost is the retaining walls for the snake tunnel, which is out of the Township's control. Some of the funding has been sought for the snake tunnels and road construction. If the County was to build it, it would be much less. The County's Schedule C pricing is much less, in the neighborhood of the typical public bid construction.

Mayor Kraft stated the town also applied for funding under Congressman Adler and has received favorable response.

Mr. Oris stated the snake tunnels are appropriate to seek grant funding under.

Mayor Kraft stated the town is working on a transportation improvement district, where developers who build in the center will have to pay for a portion of the roads.

Mr. Oris stated a TID ordinance would allow for much of the development that occurs within the township to absorb these costs. The developer would pay into a fund that would offset costs. The town is hopeful that it will receive in excess of \$1 million in funding that will help this project move forward, particularly once the permits are issues.

Committeeman Lachawiec inquired if the funds are in the budget.

Mr. Mosca stated there will be no construction this year. There are funds for engineering. \$82,400 has been approved.

Committeeman Lachawiec inquired where the town is going to get people to work to bring in the big bucks to pay for this.

Mr. Oris stated the project, through the DEP review process, has certain requirements that the town estimate the costs. Once the design is complete the town will have better costs. Do not hang your hat on \$7 million. It is more about the relativity that one option is 20% more than the other option and which option is the most cost effective option.

Committeeman Lachawiec suggested the town wait a year until the economy gets better and put the money towards lowering the taxes.

PUBLIC COMMENT

Motion to open to the public was moved by Committeeman Lachawiec, seconded by Deputy Mayor Reilly.

Roll Call: Lachawiec: Yes, Reilly: Yes, Kraft: Yes.

Joe Randazzo, 23 Spring Lake Blvd., inquired if the town can go into contract with Sora Homes Homes, where based on their profits, they contribute to the infrastructure, like Volunteer Way.

Mayor Kraft stated that is what the TID is and that is going to happen.

Joan Tredy, 131 Englewood Avenue, inquired if Volunteer Way is large enough to be a sufficient evacuation route for the Northern end of Waretown, should there be a crisis at the power plant.

Mayor Kraft stated it was originally designed with four lanes. The DEP knocked it down to two lanes. The DEP will not approve a four-lane road.

Committeeman Lachawiec stated the housing should be cut back to accommodate the two lanes.

Mrs. Tredy stated that restriction puts the Northern Waretown residents in jeopardy.

Mayor Kraft stated the town does not know how many units are going to be built. The town is in the planning stage.

Dennis Tredy, 131 Englewood Avenue, stated Sora Homes missed the 2nd RFP deadline and indicated that other interested developers also missed the deadline. Sora Homes was given the advantage of being able to give their presentation. Why isn't the Township Committee sending out a 2nd RFP to the original interested developers.

Mayor Kraft stated the township would listen to a presentation from anyone that has the capability of doing the project. The other developers were notified. The town did two RFP's.

Mr. Tredy requested a list of the other interested developers.

Mr. Mosca stated he will provide a list.

Mr. Tredy, inquired if CMX Engineering is new to the township.

Deputy Mayor Reilly stated the planner is new to the town, not the engineer.

Mayor Kraft stated T&M was the planner last year.

Mr. Tredy stated \$82,400 was spent on engineering for Volunteer Way this year and last year for the same thing.

Mr. Mosca stated the state rejected the plans and asked for a resubmission. CMX did not start from scratch.

Michele Rosen, 29 Bradley Beach Way, stated no one responded to the 2nd RFP. How do you give an enormous contract to someone without following the rules.

Deputy Mayor Reilly stated the town did follow the rules. No one responded to the 2nd RFP.

Committeeman Lachawiec stated Sora Homes failed to bid, but contacted the town after they failed to bid. The town should go out to bid again.

Vince Anepete, 85 Clearwater Drive, stated it is not a bid. It is a request for proposal. Sora Homes is the only developer that actually had a round-about approved. They got it through DOT in Glassboro.

Committeeman Lachawiec stated the state is eliminating the circles because they are dangerous.

Mr. Anepete stated a circle is not a round-about. Circles are high-speed and prevent lock-up. The key to the Town Center is the road to the parkway, the gateway to the community. No developer is going to develop without that.

Committeeman Lachawiec stated he is not totally against this. He is for it. The economy is not right in this time of recession. There is no guarantee that businesses are going to come in and the ratables will go up. There is a guarantee that there will be more of a demand on the educational system.

Tony Mercurio, 36 Laurelwyck, stated there should be no obstacles for more developer presentations. This project will not be done until Volunteer Way is secured. The road improvement ordinance is a big advantage.

Joan Finn, 26 Ocean Grove Lane, stated taxes are for the common good of all the people. If more children or people of a lower economic group move to Waretown, it is for the benefit of them as well as for the community. If the taxes go to support children in school, it is worth it. If the taxes go to support a bureaucracy, then attend the school board meetings and the New Jersey Education Association meetings and challenge the fact that too much money is going to the top.

Joe Randazzo, 23 Spring Lake Blvd., does not see any taxes going up because of this. If it does cost the taxpayers money, please let the residents know before you sign anything.

Motion to close to the public was moved by Committeeman Lachawiec, seconded by Deputy Mayor Reilly.

Roll Call: Lachawiec: Yes, Reilly: Yes, Kraft: Yes.

ADJOURNMENT

Motion to close Workshop/Caucus Agenda Meeting was moved by Committeeman Lachawiec, seconded by Deputy Mayor Reilly.

Roll Call: Lachawiec: Yes, Reilly: Yes, Kraft: Yes.

Signed and Submitted:

Diane B. Ambrosio, RMC
Township Clerk

Date