

# MINUTES

## Redevelopment Meeting of Town Council

March 12, 2009

7:00 PM

### A. Statement of Compliance with Open Public Meetings Act

Minutes of a redevelopment meeting of the Town Council of the Town of Morristown, held on March 12, 2009, in the council room, 200 South Street, Morristown, New Jersey, beginning at 7:04 p.m., prevailing time.

Council President John Cryan presiding.

Municipal Clerk Matthew Stechauner read the following statement:

“Notice of this meeting was provided in compliance with the Open Public Meetings Act in accordance with a resolution adopted by the council of the Town of Morristown at the reorganization Meeting on January 6, 2009, setting forth the time, date, and location of each meeting. A copy of the resolution was distributed to the *Morris County Daily Record* and the *Star Ledger*, filed with the town clerk, posted on the bulletin board at the municipal building and mailed to any person who had requested and prepaid the established fee for such meeting notice.”

### B. Roll Call

#### ATTENDANCE

PRESENT: Mr. Anthony Cattano, Jr., Mr. James Smith, Mrs. Raline Smith-Reid, Council President John Cryan

ABSENT: Ms. Alison Deeb, Ms. Rebecca Feldman, Mrs. Michelle Harris-King

The Mayor, Mr. Donald Cresitello, was in attendance.

### C. Consent Agenda

### D. Regular Business

#### 3. Resolutions for Adoption

Council President confirmed with the Town’s Redevelopment attorney Frank Regan, Esq. that the resolution determining the area to be an area in need of redevelopment was required to be adopted prior to the consideration of the resolution naming the developer.

**Resolution No. R-74-09**

**Adopted**

Mr. Anthony Cattano, Jr. moved the adoption of the following resolution: Which motion was seconded by Council President John Cryan. Here follows Resolution R-74-09, entitled: "A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF MORRISTOWN, COUNTY OF MORRIS, NEW JERSEY DETERMINING THAT THE AREA GENERALLY REFERRED TO AS BLOCK 5802, LOTS 2, 3, 26, 27 AND 27.01 ON THE TAX MAPS OF THE TOWN OF MORRISTOWN, LOCATED ON PRIMARILY ON WASHINGTON STREET QUALIFIES AND IS DETERMINED AS AN AREA IN NEED OF REDEVELOPMENT PURSUANT TO N.J.S.A. 40A:12A-1 ET SEQ. AND IS IDENTIFIED AS THE WASHINGTON STREET REDEVELOPMENT AREA

and passed on the following roll call:

YEAS:, Mr. Anthony Cattano, Jr. Mr. James Smith, Mrs. Raline Smith-Reid, Council President Mr. John Cryan

NAYS: None

ABSTAINING: None

ABSENT: Ms Alison Deeb, Ms Rebecca Feldman, Mrs. Michelle Harris-King

**Resolution No. R-75-09**

Adopted on later motion in the meeting.

Council President John Cryan moved the adoption of the following resolution: Here follows Resolution No. R-75-09 RESOLUTION AUTHORIZING THE CONDITIONAL DESIGNATION OF WASHINGTON STREET DEVELOPERS, LLC AS REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 5802, LOTS 2, 3, 26, 27 AND 27.01 IN THE WASHINGTON STREET REDEVELOPMENT AREA, FOR THE DEVELOPMENT OF A RESIDENTIAL PROJECT

The motion was seconded by Councilman James Smith.

Mayor Cresitello stated that a copy of the presentation made on November 13, 2008 was provided at table. He introduced the developer, Hugh DeFazio. He recommended the firm for their ability to perform this type of development citing several previously completed projects in Morristown, New Brunswick and the Meadowlands. He stated that the designation was for a period of ninety days to allow the developer to move forward with the Parking Authority on the project. He stated that

details of the final architectural design would be provided and that money was available to finance apartment complexes.

At this time Councilwoman Alison Deeb joined the meeting in progress. She questioned why the meeting had already started.

At this time Councilwoman Rebecca Feldman joined the meeting in progress,

Councilwoman Alison Deeb asked if there needs to be a redevelopment plan prior to the designation of a developer, stating she had been told this by an attorney, Mr. Ziti, Esq. when attending a redevelopment forum, who had cited recent case law.

Frank Regan, Esq. stated that once the redevelopment area is designated, there can be a conditional designation of a developer and that he was not aware of any recent case law to the contrary. He stated that the attorney referred to by Councilwoman Deeb did not represent the Town.

Mayor Cresitello stated that it could be done either way but that if a redevelopment plan is done first, that it would have to be changed once the developer came in.

Councilwoman Alison Deeb moved that consideration of Resolution No. R-75-09 be tabled to the next redevelopment meeting, which motion was seconded by Councilwoman Rebecca Feldman and failed on the following roll-call:

YEAS: Ms. Alison Deeb, Ms. Rebecca, Mrs. Michelle Harris-King

NAYS: Mr. Anthony Cattano Jr., Mr. James Smith, Mrs. Raline Smith-Reid, Council President Cryan

ABSTAINING: None

ABSENT:

Councilwoman Alison Deeb asked if the development was economically feasible and if they had the needed financing in place.

Mayor Cresitello stated that while financing was not in place at this time that once the developer was designated it would acquire partners. He stated that this was the same thing that had happened with Trammell Crowe and Epsteins. He stated that thirty year financing could be obtained tomorrow at 6% for the rental project. He stated that once the developer is designated then they will start to spend their money to do a market analysis.

Councilwoman Rebecca Feldman objected to the starting of the meeting when all members were not present. She pointed out that there had not been a public portion of the meeting prior to the start of regular business..

At this time Michelle Harris-King joined the meeting in progress.

Council President John Cryan withdrew his motion for the adoption of Resolution No. R-75-09 so as to allow the public portion of the meeting to take place. Frank Regan, Esq, stated that there was only a requirement that the public portion of the meeting take place some time during the meeting.

Councilwoman Alison Deeb left the meeting at this time.

#### E. Public Hearing

The President opened the meeting to the public, asking if there were any citizen or taxpayer who wished to be heard concerning any matter.

Linda Carrington of Macculloch Avenue addressed the Council. She questioned why this property was being considered for redevelopment when there were other vacant properties such as properties on Elm Street, Ridgedale Avenue or Bank Street that could be developed. She stated that the Washington Street site had an income producing parking lot and funeral home.

There being no further member of the public wishing to be heard, Council President Cryan closed the public portion of the meeting.

Mayor Cresitello in answer to Ms. Carrington's question stated that the properties on Abbot and Ridgedale were considered but that they were presently in bankruptcy litigation, that the Ann and Bank property was stalled by economic conditions and that the Administration was also in negotiations regarding Center Street for condos but that it might only be practical to proceed with a rent to own strategy at that location.

Councilwoman Rebecca Feldman asked that once a property is designated as a redevelopment zone and if it lies for a long time have there been attempts to disenfranchise the property from redevelopment.

Frank Regan, Esq. stated that a lot of other municipalities have projects that are not moving forward but that he was not aware of any affirmative action on their parts.

In response to Councilwoman Rebecca Feldman Frank Regan, Esq. stated that a portion of a redevelopment zone or a whole zone could be dedesignated in the future.

Paul Philips, who had prepared the Planning Board study on the Washington Street zone stated while some projects were being reevaluated he had not seen disinvestment.

Ms. Feldman asked if existing buildings could be preserved and there still be allowed a Pilot. Frank Regan, Esq. stated that there could be a five year Pilot on the value of the improvements.

Mayor Cresitello stated that he had not seen disinvestment on Speedwell Avenue, but rather there was a tendency toward short term leases, and that there have been some store closures due to declining populations. He stated that the designation of Speedwell Avenue had not caused deterioration, but that he had seen upkeep and rentals of the retail properties there. He stated that he was aware of two leases in the Midtown Shopping Center that were written with options to move into the next project.

Resolution R-75-09  
Adopted

Councilmember Anthony Cattano, Jr. moved the adoption of the following resolution: Here follows Resolution No. R-75-09: "RESOLUTION AUTHORIZING THE CONDITIONAL DESIGNATION OF WASHINGTON STREET DEVELOPERS, LLC AS REDEVELOPER FOR THE PROPERTY KNOWN AS TAX BLOCK 5802, LOTS 2, 3, 26, 27 AND 27.01 IN THE WASHINGTON STREET REDEVELOPMENT AREA, FOR THE DEVELOPMENT OF A RESIDENTIAL PROJECT"

The motion was seconded by Council President John Cryan.

Hugh DeFazio of Washington Street Developers, LLC. addressed the Council. He stated that they had settled on an apartment concept and that Nadasky Kopelson Architects had done the concept study and that market studies were done, which could be discussed confidentially. He stated that the concept called for shared parking to cut down on the cost of construction.

Mayor Cresitello stated that he had worked on this for twelve months and that the Parking Authority was a major player. He stated that the proposed developer had already spent considerable funds to get the project to this point.

Called to question Resolution R-75-09 was adopted on the following roll-call:

YEAS:, Mr. Anthony Cattano, Ms. Rebecca Feldman, Jr. Mr. James Smith, Mrs. Raline Smith-Reid, Council President Mr. John Cryan

NAYS: Mrs. Michelle Harris-King

ABSTAINING: None

ABSENT: Ms Alison Deeb

Resolution R-76-09  
Adopted

Council President John Cryan moved the adoption of the following resolution: Here follows Resolution No. R-76-09: "RESOLUTION EXTENDING THE CONDITIONAL DESIGNATION OF ANDA BUILDING, LLC AND LCOR/JV ACQUISITION, LLC AS CO-DEVELOPERS FOR THE PROPERTY KNOWN AS TAX BLOCK 3602, LOTS 11, 12, 12.01 AND 13 IN THE LACKAWANNA PLACE REDEVELOPMENT AREA FORMERLY REFERRED TO AS THE FIREHOUSE REDEVELOPMENT AREA, FOR THE DEVELOPMENT OF A MIXED USE PROJECT

The motion was seconded by Councilman Anthony Cattano, Jr.

Mayor Cresitello stated that Anda was working on developing a new plan with the Parking Authority to determine if the financials will work and that they need additional time for this purpose.

Called to question, Resolution No. R-76-09 was adopted on the following roll-call:

YEAS:, Mr. Anthony Cattano, Ms. Rebecca Feldman, Jr. Mr. James Smith, Mrs. Raline Smith-Reid, Council President Mr. John Cryan

NAYS: Mrs. Michelle Harris-King

ABSTAINING: None

ABSENT: Ms Alison Deeb

Councilwoman Rebecca Feldman stated that she would like to see a special Council meeting with a public session where adjacent property owners can have a say in the process for the Washington Street redevelopment. She requested that the scheduling of such a public workshop be listed under new business for the March 24, 2009 Regular Council Meeting.

Councilwoman Raline Smith-Reid asked the Mayor if he had contacted the other potential developers for Coal and Center.

Mayor Cresitello stated he would reach out to them. He stated that he had not yet done so as they were tax exempt and that there were different processes for dealing with not for profits.

F. Unfinished Business

G. New Business

H. Correspondence

I. Adjournment

Councilman Anthony Cattano, Jr. moved the meeting be adjourned, which motion was seconded by Council President John Cryan and adopted by unanimous consent of the Council Members present.

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John Cryan  
Council President

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Matthew Stechauner  
Town Clerk