Commission Meeting
of
STATE HOUSE COMMISSION

LOCATION:  Committee Room 10
State House Annex
Trenton, New Jersey

DATE:  June 30, 2016
9:00 a.m.

MEMBERS OF COMMISSION PRESENT:
Amy E. Melick, Chair
Senator Bob Smith
Senator Gerald Cardinale
Assemblyman David P. Rible
Beth Schermerhorn
Jacki L. Stevens

ALSO PRESENT:
Robert J. Shaughnessy Jr.
Commission Secretary

Gary A. Kotler
Commission Counsel

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey
CALL TO ORDER:

~ Amy E. Melick, Deputy Chief Counsel, Governor’s Office
  (on behalf of Governor Chris Christie)
~ Beth Schermerhorn, Assistant State Treasurer
  (on behalf of Acting State Treasurer Ford M. Scudder)
~ David Ridolfino, Acting Director, Office of Management & Budget
~ Senator Gerald Cardinale
~ Senator Bob Smith
~ Assemblyman Paul D. Moriarty
~ Assemblyman David P. Rible

OLD BUSINESS:

1. Approval of the March 14, 2016 State House Commission Meeting (SHC) Minutes – The verbatim record of the March 14, 2016 SHC meeting will serve as the official minutes.

2. Project: RPR 16-04, Stockton University, Block: 184, Lot: 7, City of Linwood, Atlantic County

   Requesting Party: The NJ Department of the Treasury. This project was presented to the
   State House Commission at its meeting of March 14, 2016 as the transfer of a 2,928
   square foot single family dwelling that is currently occupied by Stockton University’s
   Vice President for Administration and Finance to Stockton University for $1.00. The
   appraised value of the property is $440,000. The commission denied this request.
Terms: It is now recommended that the property be sold to Stockton University. Since 1970 Stockton University has paid for all expenses related to the property. Since the University will continue to be solely responsible for the property, it is requested that the property be sold to Stockton University for an amount to be determined by the Commission. Stockton University has offered to buy the property for $125,000.

OLD BUSINESS cont’d:

3. Project: Former Riverfront Prison Site, Block 79, Lot 13 (Proposed Lots 1, 2, 3 & 4), City of Camden, Camden County

Requesting Party: The NJ Economic Development Authority (NJEDA)/Real Estate Division, requests approval to implement the Disposition Procedures (which were approved and finalized in 2010) by allowing EDA to convey parcels to the developer under separate deeds. Final approval of the developer and the Purchase and Sale Agreement is required by the State House Commission and will be sought at a future meeting.

Terms: NJEDA would like to establish a minimum bid amount of $5 million (appraised value is $1,900,000) for the former Riverfront Prison in Camden. Lots 1 and 2 will be created to be the parcels improved by the developer. NJEDA is also proposing to establish Lots 3 (park) and 4 (public roadway right of way) as the public improvement parcels that that will be transferred by NJEDA to the developer who in turn will convey same to the City of Camden for $1.00 upon execution of a Purchase and Sale Agreement (and receipt of the deposit) between NJEDA and a developer.

4. Project: Spicers Creek Boat Ramp, Block 753.01, part of Lot 39.05, Township of Lower, Cape May County

Requesting Party: The NJ DEP/Division of Fish and Wildlife (“Department”) requests the amendment of the twenty-year ground lease with New Cingular Wireless PCS, LLC at the area known as Spicers Creek Boat Ramp, which had been approved
by the State House Commission on October 23, 2014. The Department is requesting the square footage of the ground lease be amended to 1,012 square feet from the 812 square feet previously approved. During the drawing approval process, new technology required a re-design of the site to include Long Term Evolution (also known as LTE or 4G) antennas and equipment. As a result, the structural engineers evaluating the tower have required an increase in the number of 10 foot by 10 foot areas for the guide wires to four from the originally approved two.

Terms: The annual rent will include the previously approved $700.00 per year and be amended to include a co-locater rent of $13,032.00 with 3.0% annual increases.

NEW BUSINESS:

DEPARTMENT OF TREASURY REQUESTS:

5. Project: RPR 15-12A, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

NEW BUSINESS cont’d:  

5. Project: RPR 15-12B, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling located at 1918 East Landis Avenue, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $60,000.

6. Project: RPR 15-12B, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling
located at 1990 East Landis Avenue, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $41,000.

7. Project: RPR 15-12C, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling located at 261 North Main Road, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $67,500.

8. Project: RPR 15-12D, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling located at 325 North Main Road, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $49,000.

9. Project: RPR 15-12E, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling
located at 349 North Main Road, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $52,500.

10. Project: RPR 15-12F, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling located at 479 North Main Road, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $56,000.

11. Project: RPR 16-03B, Vineland Developmental Center, Block 3201, part of Lot 1, Vineland City, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the disposal of a single family dwelling located at 455 North Main Road, on the grounds of the Vineland Developmental Center, that has been declared surplus to the department’s needs.

Terms: The property will be sold via Internet Auction with the minimum bid being the appraised liquidation value of $52,500.

12. Project: RPR 16-07, Morristown Group Home, Block 7001, Lot 18, Town of Morristown

   Morris County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Children and Families, recommends the direct sale of the property formerly known as the Morristown Group Home to the Town of Morristown. This former group home has been declared surplus to the department’s needs.

Terms: The property will be sold for the appraised value of $490,000.
13. Project: RPR 16-10, Stockton University, Block 875.04, part of Lot 1.01, Galloway Township, Atlantic County

Requesting Party: The NJ Department of the Treasury recommends granting permanent easements to Atlantic County for the construction, installation and maintenance of roadway improvements along Jimmie Leeds Road. This project will serve a significant public purpose, as it will improve vehicular travel well as increase safety and accessibility for pedestrian and bicycle movement in the vicinity of Stockton University. In addition to the permanent easements, the County will also require temporary construction easements in order to complete the project.

Terms: Since this project directly benefits the safety and welfare of motorists, pedestrians, and cyclists, the easements will be granted for $1.00. The total appraised value of the easements are $26,000.

14. Project: RPR 16-12, DCF Regional School-Hudson Campus, Block 225, Lot 10, Town of Secaucus, Hudson County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Children and Families recommend leasing the property known as the Department of Children and Families, Regional Day School, Secaucus Campus to the Town of Secaucus for use as an elementary school. The property consists of an 11,339 square foot school building. The Town of Secaucus is interested in purchasing the property at a later date. The lease will
include a right of first refusal to purchase. Any proposed purchase of the property pursuant
to the right of first refusal will return to the State House Commission and be subject to the
Commission’s approval.

Terms: The lease will be for a term of two years with one (1), two (2) year renewal option at an annual rent of $147,407 ($14.00 per square foot), which is based on the appraised rental value. The Town will be responsible for all utilities and maintenance associated with the property.

15. Project: RPR 16-13, Mountainview Correctional Center, Block 33, part of Lot 10, Clinton
   Township, Hunterdon County

   Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Corrections recommend leasing property located on the grounds of the Mountainview Correctional Facility to Hunterdon County for their continued use, access to, and expansion of their Emergency Services Training Center. The Training Center offers courses in a classroom setting as well as providing practical applications utilizing various training props including a Class A Burn Building, a four (4) story smoke tower, confined space operations training, trench operations, a trailer maze and a fire pit in which props such as vehicles and oil and gas fires are replicated for extinguishing, affording first responders with real life applications. The Training Center offers customized training for the New Jersey

   NEW BUSINESS Cont’d
   2016

   State House Commission Meeting: June 30,
   Page

Division of Fire Safety, Kean University and the New Jersey Department of Corrections.

Terms: The County has been leasing a 9.8(+) acre parcel of land from the State since 1977.
The original lease, which had been for $1.00, has expired and a new lease must now be approved. The County is requesting the amount of space they lease be increased by 8.0 (+-) acres, bringing the total leased area to 17.8 (+-) acres. Since this lease directly benefits the citizens of New Jersey, the lease will be for a term of 20 years at an annual rent of $1.00.

16. Project: RPR 16-14, Greystone Psychiatric Hospital, Block 10, part of Lot 1.01, Parsippany
Troy Hill Township, Morris County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of
Human Services, recommend granting an easement to Morris County for the
construction
and maintenance of an access road on the grounds of the Greystone Psychiatric Hospital.
The access road is necessary to alleviate traffic issues arising from the adjacent County
owned recreational facilities. The access road will consist of 13.910+/- acres of land
and
will be constructed from West Hanover Avenue to Central Avenue. This agenda item
is subject to the receipt and review of a satisfactory appraisal from Morris County
prior to the date of the meeting.

Terms: Since this project directly benefits the safety and welfare of motorists,
pedestrians
and cyclists, the easement will be granted for $1.00.

DEPARTMENT OF ENVIRONMENTAL PROTECTION (DEP) REQUESTS:

17. Project: Higbee Beach Wildlife Management Area, Block 748, Part of Lots 34.03, 35.01
and
35.02, Township of Lower, Cape May County

Requesting Party: The NJ DEP/Division of Fish & Wildlife, requests approval to
lease approximately 0.38 acres of land to the Cape May Maritime Museum and
Education Center ("CMMMEC"), a non-profit organization dedicated to the study of
the region’s maritime history and culture, for ten (10) years with the option to renew for an additional ten (10) year term. Their mission is to preserve and present our maritime heritage through interpretive centers. The property is located in the Higbee Wildlife Management Center on what was once the site of a building associated with the Magnesite plant.

Terms: The proposed rent is a one-time payment of $20.00 for the initial ten (10) year term of the Lease Agreement. CMMMEC is responsible for the maintenance, repair and operation of the improvements during the lease term.

18. Project: Great Sound State Park, Block 114, Lot 17, Middle Township, Cape May County

NEW BUSINESS Cont’d

2016

State House Commission Meeting June 30

7

Requesting Party: The NJ DEP/Division of Parks and Forestry (“Department”) requests approval to enter into a ten (10) year lease agreement with the United States of America (“Government”) acting by and through the Secretary of the United States Department of Agriculture (“USDA”), for the Cape May Plant Material Center (“PMC”). This lease will replace and supersedes an expired fifty (50) year lease that was executed in 1965.

Terms: The annual rent for the first year will be in the amount of $6,144.00 and escalate annually at 2.5% per year.

19. Project: Farm Lease Agreements, Various State Parks throughout the State, Various locations throughout the State

Requesting Party: The NJ DEP/State Park Service, requests approval to execute thirty-eight (38) farm lease agreements on park lands throughout the State. Agreements are for five (5) years, with an option to renew for three (3) additional, five (5) year terms. No public concerns have been noted.
Terms: The rental rate for each parcel was set by the highest bid at the public auctions (see attached for compensation details for each parcel). The rental rate will be increased at the beginning of the renewal term to reflect the current fair market value of the leased premises as determined by changes in the Consumer Price Index or value of similar real estate rentals.

20. Project: Delaware & Raritan Canal State Park and Spruce Run Recreation Area, Delaware & Raritan Canal State Park, Block 58, part of Lot 10.03, Franklin Township, Somerset County; Spruce Run Recreational Area, Block 33, parts of Lots 57 and 56, Block 2, parts of Lots 2 and 4, Harmony and Lopatcong, Township, Warren County

Requesting Party: The NJ DEP/State Park Service, requests approval to execute two (2) farm lease agreements on park land located at Spruce Run Recreation Area and at Delaware & Raritan Canal State Park. Agreements are for five (5) years with the option to renew for three (3) additional, five (5) year terms. No public concerns have been noted.

Terms: The annual rent from these two farm leases agreements will total $3,162.00 for each year of the initial five year term (see attached for compensation details for each parcel). The rental rate will be increased at the beginning of the renewal term to reflect the current fair market value of the leased premises as determined by changes in the Consumer Price Index or value of similar real estate rentals.

21. Project: Brendon T. Byrne State Forest, Block 897, part of Lot 1.01, Pemberton Township, Burlington County

Requesting Party: The NJ DEP/State Park Service, requests approval to execute a lease agreement on a portion of Brendon T. Byrne State Forest. The initial term of the Agreement will be for seven (7) years, with an option to renew for an additional two (2), five year terms. No public concerns have been noted.

Terms: The annual rent for this lease agreement will be $1,320.00 for each year of the initial five year term. The rental rate will be increased at the beginning of the renewal
term to reflect the current fair market value of the leased premises as determined by changes in the Consumer Price Index and value of similar real estate rentals.

22. Project: Delaware & Raritan Canal State Park, Block 85, part of Lots 62.02 and 63.02, Block 57.01, part of Lot 32.02, Franklin Township, Somerset County

Requesting Party: The NJ DEP/State Park Service, requests approval to execute the Second Amendment to Lease Agreement (“Amendment”). The Amendment established a new annual rental rate and revises the terms and conditions of the original Lease Agreement executed in 1979. No public concerns have been noted.

Terms: The annual rent will be $2,340.00 for each year of the initial five (5) year term. The rental rate was set using the soil rental rates set by the Farm Service Agency (FSA) of the United States Department of Agriculture. The rent shall be increased every five (5) years by the same percentage that the Farm Service Agency (“FSA”) of the United States Department of Agriculture (“USDA”) has increased the soil rental rates for the soil classification applicable to the Premises.

23. Project: Fortescue Marina, Downe Township, Cumberland County

Requesting Party: The NJ DEP/Division of Parks and Forestry (“Department”) requests approval to amend the twenty (20) year Lease Agreement executed on June 2, 1998 between the Department and the Fortescue Captains & Boat Owners Association, Inc. (“Tenant”) to allow for the abatement of rent. The original Agreement does not provide for the abatement of the rent for any reason. The Tenant has demonstrated to the Department that it has been unable to make improvements as required, due to declining Marina revenue.

Terms: The Department shall provide a retro-active abatement of rent in the amount not to exceed $67,180.00 for upgrades completed by the Tenant in 2010. In addition the tenant shall be required to create an Abatement Improvement Plan for any and all future improvements that are not routine maintenance and repairs. The Tenant will be responsible to pay any annual rent not abated by the Department. The annual average rent over the past five years has been $20,731.00.

24. Project: Delaware and Raritan Canal State Park, Block 425, part of Lot 1, Ewing Township, Mercer County
Requesting Party: The NJ DEP requests approval to convey approximately 0.358 +/- acres of land in easements within the Delaware and Raritan Canal State Park ("Park") to the Delaware River Joint Toll Bridge Commission ("DRJTBC") in connection with the replacement and realignment of the Scudder Falls Bridge over the D&R Canal State Park in Ewing Township, Mercer County ("the Project").

Terms: To compensate for the adverse impacts to the Delaware and Raritan Canal Historic District, including the proposed conveyance of parkland, the DJRTBC will provide $2,000,000.00 to construct an interpretive swing bridge and/or for other historical interpretation of the Delaware and Raritan Canal. In addition, the DRJTBC will compensate for the removal of 22 trees in the proposed easement area through a combination of tree planting in the Park and equivalent cash compensation. As part of the project, separate from the required compensation for the proposed easements, the DRJTBC will construct and maintain a bicycle/pedestrian ramp connecting the Delaware Canal State Park in Pennsylvania with the D&R Canal State Park in New Jersey.

25. Project: Stavola Beechwoods Preserve, Block 102, part of Lot 1, Borough of Pemberton, Burlington County

Requesting Party: The NJ DEP, on behalf of the Rancocas Conservancy, requests approval to allow the conveyance of approximately 0.19 +/- acres of Green Acres funded parkland to Burlington County in connection with proposed improvements to County Route 530 in Pemberton Borough, Burlington County.

The property proposed for disposal is located on the edge (road frontage) of the Conservancy’s 56-acre Stavola Beechwoods Preserve with Route 530, just west of Hanover Street. The disposal is needed for right-of-way purposes for improvements to mitigate a high accident rate, improve traffic circulation along the corridor and at intersections, eliminate substandard geometry, and reconstruct an inadequate drainage system.
26. Project: Public Beach, Block 99.02, part of Lots 1 and 1.01, Borough of Seaside Heights, Ocean County

Requesting Party: The NJ DEP, on behalf of the Borough of Seaside Heights, seeks approval to convey approximately 1.37 +/- acres of the Borough’s public beach to the owner of the Casino Pier (a private amusement pier) in exchange for ownership of the historic Dentzel-Loof Carousel and additional compensation. Casino Pier proposes to replace the iconic rides destroyed in Superstorm Sandy in the expansion area (rather than rebuilding the pier over the ocean).

Terms: To compensate for the proposed disposal, the Casino Pier owners propose to (1) convey to the Borough, as replacement land, Block 56, Lots 1,3,7 and 9 totaling 0.75 +/- acres and located along the Borough’s boardwalk and (2) donate the historic Dentzel-Loof Carousel to the Borough. The Borough has also agreed to dedicate as replacement land Block 409, Lot 20.02, consisting of 67.171 +/- acres. This parcel is owned by Ocean County and located in Toms River Township adjacent to the County’s Winding River Park.

27. Project: Shark River Park, Block 4217, part of Lot 10, Block 4306, part of Lot 17, Township of Neptune, Monmouth County, Block 750, part of Lot 1, Block 751, part of Lot 1, Township of Wall, Monmouth County

Requesting Party: The NJ DEP, on behalf of the County of Monmouth, requests approval to allow the diversion of a total of 0.401 +/- acres of parkland within Shark River Park, in connection with Monmouth County’s reconstruction of Monmouth
County Bridge W-38 spanning the Shark River Brook, located along Schoolhouse Road in the Townships of Neptune and Wall, Monmouth County. The proposed diversion involves the conveyance of 0.275 acres of additional right-of-way, to allow for the reconstruction of the bridge and the widening of Schoolhouse Road, and the conveyance of 0.126 acres in easement to accommodate the relocation of overhead electric and underground gas utility lines along Schoolhouse Road.

Terms: To compensate for the proposed diversion, the County proposes to dedicate for recreation/conservation purposes a 0.401 acre parcel of land adjacent to portions of Shark River Park in the Borough of Tinton Falls.

**DEPARTMENT OF TRANSPORTATION (DOT) REQUESTS:**

28. Project: Route 10, Section 4, Parcel VX4B, Block 100, adjacent to Lot 18, Township of Livingston, Essex County

   Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit,
   is requesting approval to sell the property identified as Route 10, Section 4, Parcel VX4B,
   having an area of about 1,763 sf., Block 100, and adjacent to Lot 18 in the Township of Fairfield, Essex County.

   Terms: The property is being proposed to be sold as a direct sale to the adjacent property owner, KRG Livingston Center, LLC, Block 100, Lot 18, for assemblage to its commercial property for the purchase price of Twenty Three Thousand Dollars ($23,000.00), which is the appraised value.
Project: Route 287, Section 21, Parcel VX39B, Block 2101, adjacent to Lot 8, Borough of Oakland, Bergen County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit,

is requesting approval to sell the property identified as Route 287, Section 21, Parcel VX39B, having an area of about 1,578 sf., Block 2101, and adjacent to Lot 8 in the Borough of Oakland, Bergen County.

Terms: The property is being proposed to be sold as a direct sale to the adjacent property Owner, SAR Properties, LLC, Block 2101, Lot 8, for assemblage to its property for the purchase price of Ten Thousand Dollars ($10,000.00), which is the appraised value.

Project: 287, Section 19, Parcel VX15B2, Block 24.02, adjacent to Lot 31.02, Township of Montville, Morris County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting approval to sell a property identified as Parcel VX15B2 of the Route 287, Section 19 project. The parcels contain an area of approximately 0.029 acres (1,300 sf.). The property is an irregular shaped lot that is vacant and is adjacent to the requestor’s property of Block 24.02, Lot 31.02 of Montville Township in the County of Morris. The requestor and only adjoining owner, Giuseppe and Teresa Guidice have expressed an interest to acquire the property for assemblage to their adjacent residential property to allow them to take ownership of the property where part of their garage was built.

Terms: The property will be sold by direct sale to the only adjoining owner for $3,150.00 which is the appraised value.
31. Project: Route 287, Section 10, Parcel VDA122B & VDA123C, Block 2902, adjacent to Lots 4 & 5, Hanover Township, Morris County

Requesting Party: the NJ DOT, Division of Right of Way, Property Management Unit, is requesting approval to sell the denial of access rights, identified as Route 287, Section 10, parcels VX122B and VX123C, having a distance of 104 feet, Block 2902, and adjacent to Lots 4 and 5 in Hanover Township, Morris County.

Terms: The property will be sold as a direct sale to the adjacent property owner, Jefferson Route Ten Associates, LLC, Block 2902, Lot 5 and Jefferson Route Ten Associates, LLC

NEW BUSINESS Cont’d
2016

who is the assignee of the contract purchaser for Block 2902, Lot 4. The recommended sale price is $260,000.00, which is the appraised value.

32. Project: Route 70, Section 3, part of Parcel R27, Block 1303, adjacent to Lot 4, Medford Township, Burlington County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting approval to lease the property identified as part of parcel R27 of the Route 70, Section 3 project having an area of about 27,500 sf., Block 1303, and adjacent to Lot 4 in The Township of Medford, Burlington County.

Terms: The property is proposed to be leased to the adjacent property owner, Somerset-Medford Properties, LLC of Block 1303, Lot 4, for parking and signage for its adjacent commercial property. The proposed lease is a month to month rental of Seven Hundred
and Forty Three Dollars ($743.00), inclusive of the municipal services, which is the appraised value and will increase according to the rent schedule which will be part of the lease.

DIVISION OF PENSIONS AND BENEFITS’ REQUESTS:

33. Judicial Retirement System -
Requesting Party: The NJ Department of the Treasury, Division of Pensions & Benefits
Terms: The SHC shall sit as the Board of Trustees for the Judicial Retirement System to approve the following:
1. Approval of the Minutes of the Meeting Held on March 14, 2016 (page 1949).

EXECUTIVE SESSION

34. Receive legal advice from Attorney General’s Office

OTHER BUSINESS (as necessary)

ADJOURNMENT
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert J. Tighue</td>
<td>Assistant Deputy Director, Office of Real Property Management</td>
<td>6</td>
</tr>
<tr>
<td>Donald Hudson</td>
<td>Associate Vice President, Facilities and Construction</td>
<td>8</td>
</tr>
<tr>
<td>Timothy J. Lizura</td>
<td>President and Chief Operating Officer, New Jersey Economic Development Authority</td>
<td>18</td>
</tr>
<tr>
<td>George A. Chidley</td>
<td>Manager, Office of Leases and Concessions, New Jersey Department of Environmental Protection</td>
<td>21</td>
</tr>
<tr>
<td>David B. Drumeler, Esq.</td>
<td>Town Administrator, Town of Secaucus</td>
<td>34</td>
</tr>
<tr>
<td>Moira Dillaway, Esq.</td>
<td>Private Citizen</td>
<td>38</td>
</tr>
<tr>
<td>Barbara Sachau</td>
<td>Private Citizen</td>
<td>43</td>
</tr>
<tr>
<td>Judeth Piccinini Yeany, Esq.</td>
<td>Bureau Chief, Legal Services and Stewardship, Green Acres Program</td>
<td>45</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS (continued)

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Role</th>
<th>Organization</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeff Tittel</td>
<td>Director</td>
<td>New Jersey Chapter Sierra Club</td>
<td>49</td>
</tr>
<tr>
<td>Amy Hansen</td>
<td>Policy Analyst</td>
<td>New Jersey Conservation Foundation</td>
<td>53</td>
</tr>
<tr>
<td>George Gilmore, Esq.</td>
<td>Attorney</td>
<td>Borough of Seaside Heights</td>
<td>71</td>
</tr>
<tr>
<td>Edward R. McGlynn</td>
<td>Government Relations</td>
<td>New Jersey Amusement Association</td>
<td>78</td>
</tr>
<tr>
<td>Robert Moss</td>
<td>Green Acres Issues Coordinator</td>
<td>New Jersey Chapter Sierra Club</td>
<td>88</td>
</tr>
<tr>
<td>Richard Boornazian</td>
<td>Assistant Commissioner</td>
<td>Natural and Historic Resources</td>
<td>94</td>
</tr>
<tr>
<td>Tim Dillingham</td>
<td>Executive Director</td>
<td>American Littoral Society</td>
<td>95</td>
</tr>
<tr>
<td>John Megariotis</td>
<td>Deputy Director</td>
<td>Division of Pensions and Benefits</td>
<td>112</td>
</tr>
<tr>
<td>Aaron Shapiro</td>
<td>Principal</td>
<td>Buck Consultants</td>
<td>112</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS (continued)

APPENDIX:

<table>
<thead>
<tr>
<th>E-mail, addressed to</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>State House Commission</td>
<td>1x</td>
</tr>
<tr>
<td>from</td>
<td></td>
</tr>
<tr>
<td>Barbara Sachau</td>
<td></td>
</tr>
<tr>
<td>pnf:1-117</td>
<td></td>
</tr>
</tbody>
</table>
AMY E. MELICK (Chair): Good morning, everyone.
Excuse me; we’re about to start the State House Commission.
Good morning; thanks, everyone, for attending.
Bob.

MR. SHAUGHNESSY (Commission Secretary): Yes, good
morning. This is the June 30, 2016, meeting of the State House
Commission.

In compliance with the Open Public Meetings Act, notice of
this meeting was given by way of notice filed with the Secretary of State,
delivered to the State House press corps, and posted in the offices of the
State House Commission.

I will now call the roll.
Deputy Chief Counsel Melick.

MS. MELICK: Present.

MR. SHAUGHNESSY: Assistant State Treasurer
Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Present.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Present.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Present.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Present.

MR. SHAUGHNESSY: And Assemblyman Rible -- I
understand he’s on his way.
MR. KOTLER (Commission Counsel): We do have a quorum.

MR. SHAUGHNESSY: Thank you, Counsel.

At the outset, the Commission has an extensive agenda today, and we will endeavor to move through it as rapidly as possible.

I will note, initially, that there will be no Executive Session, which was anticipated today. Correspondingly, No. 34 will not be heard, but held.

MR. KOTLER: Yes, thank you, Bob.

The advice is being completed, and will be done shortly. It will be mailed to the members, and it will be an item for discussion at the next meeting.

MR. SHAUGHNESSY: And finally, before we begin, we’ve received comments, again, from Barbara Sachau yesterday. They have been distributed to the members and are at their desks in front of them.

First, on to Old Business.

Approval of the March 14, 2016, State House Commission Meeting Minutes.

May I have a motion?

SENATOR SMITH: So moved.

MS. MELICK: Second.

MR. SHAUGHNESSY: Motion and second. All in favor? (affirmative responses)

Any opposed? (no response)

Any abstentions?

MS. STEVENS: I abstain.
MR. SHAUGHNESSY: Thank you.

On to No. 2, under Old Business. No. 2 is RPR 16-04, Stockton University, Block 184, Lot 7, Linwood, Atlantic County.

This project was presented to the State House Commission at its meeting of March 14, 2016, as the transfer of a 2,928-square-foot single-family dwelling, that is currently occupied by Stockton University’s Vice President for Administration and Finance, to Stockton University for $1. The appraised value--

Welcome, Assemblyman Rible. We just finished the minutes, and we are on to No. 2 under Old Business, sir.

The appraised value of the property is $440,000. The Commission initially denied this request.

Since 1970, Stockton University has paid for all expenses related to the property. Since the University will continue to be solely responsible for the property, it is requested that the property be sold to Stockton for an amount to be determined by the Commission.

In the members’ packets there is correspondence from me on behalf of the Commission to Stockton University; and from Stockton University to the Commission.

Are there any members who have any questions or comments about this matter?

SENATOR SMITH: Comment, if I might.

You may remember -- we had a little bit of a firestorm when this was in the last time. And I think, as a group, we felt that the compensation to the State was not fair or equitable. And I note that, number one, now there is significant consideration for the State; and
secondly, that apparently, at the meeting where this was discussed, we really didn’t hear about the way in which the college/university had been responsible for maintenance on the property and whatever. So it looks to me like this is a much fairer and equitable solution.

Assemblyman Moriarty made a point, on Monday, of coming over to see me and saying that he wasn’t going to be here today; but he said that he thought the new arrangement was much fairer to the State of New Jersey and he thought it was a good idea at this point.

MR. SHAUGHNESSY: Okay.
Any other members have any comments?
SENATOR CARDINALE: Yes.
MS. MELICK: Senator Cardinale.
MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: While it’s undoubtedly moved in the right direction, I believe the only fair way to dispose of this property -- since it is not on the college grounds, per se, it’s on the street -- is to put it up for public auction. We have a number of other properties that are going to be disposed of later on in the agenda, and we’re putting them up for auction. I see absolutely no reason to treat this property differently than other assets of the State.

We have quite a few State colleges. Giving a gift from this Commission to those colleges -- to this college, when we are not doing the same thing for other State colleges, doesn’t seem to me to be fair. We don’t have the power to make similar appropriations for the gift portion of this, that-- While they have been paying for upkeep, they’ve also been using the property -- essentially, free rent. So I don’t believe that they have done us
any great service; they haven’t been generous to us. And additionally, I
don’t think they’re a good husband of State money. They have been in the
news as having-- And Senator, you’re a lawyer. I’m sure you would not
allow your client to buy a piece of property that they intended to use for a
purpose that is specifically prohibited by a deed restriction. I’m not
referring to this property; I’m referring to how they just generally manage
their affairs.

SENATOR SMITH: Could you tell me more? I don’t know
what you’re talking about, Senator.

SENATOR CARDINALE: Well, they bought the Showboat
Casino with an intent to use it for other than a casino. And there was a
deed restriction against that. They paid a lot of money in the management
of it; they eventually unloaded it. But it was not a wise transaction. That
just sets the stage for me to think that they’re not good husbands of money.
Why are we going to give them, here, a gift of $350,000 or more? That’s
what our gift to them would be if we approve this.

I see no reason why the taxpayers of the State of New Jersey
should do this. They’re not kind to their students; their students graduate
with big loans. Since they’ve had the availability of loan money -- and you
can trace right down to the beginnings of all of these very high tuitions,
very high expenses of the colleges, the availability of a pool of money that
has come through the loan program. That is not good for our students.

I think with all of that as a background, we should not be
enablers of this University’s going on and giving overly generous packages
to their employees, their administrators. I see no justification whatsoever
for giving this kind of gift. If we’re going to give gifts, if we’re going to give
away the State property -- and we started, you and I, a long time ago, with reforms--

    SENATOR SMITH: Yes.

    SENATOR CARDINALE: --with respect to how we husband the State’s money -- I just can’t support this. I would make a motion that we put it up for public auction, similar to the auctions that we have for the later properties that we’re disposing of in this agenda. And if that motion succeeds or fails -- you know, I have no idea. But that’s what I think would be the fair way to dispose of this property.

    SENATOR SMITH: Well, before we do anything, could I ask Treasury -- do we have a representative from Treasury here?

    MR. SHAUGHNESSY: We do have a representative from Treasury here.

    SENATOR SMITH: I’d like to ask the question: Where’s the Treasurer on this?

    Where is the Treasurer; where’s the Treasury rep?

    MR. SHAUGHNESSY: Senator, I don’t believe the Treasurer has been consulted on this matter; but we have--

    SENATOR SMITH: Well, shame on us.

    MR. SHAUGHNESSY: We have a representative -- we have a representative; he’s been busy.

    SENATOR SMITH: Yes, this is listed as -- the requesting party, the New Jersey Department of the Treasury. Are you requesting this?

    ROBERT TIGHUE: It’s come through our Department.
SENATOR SMITH: Okay, that’s-- As a politician, that’s the way I would answer that question as well. (laughter)

MR. SHAUGHNESSY: Would you please introduce yourself?

MR. TIGHUE: My name is Robert Tighue; I am the Assistant Deputy Director of Real Property, the Department (sic) of Property Management and Construction.

SENATOR SMITH: So is the State getting a fair deal on this or not?

MR. TIGHUE: Well, I actually would say that -- my opinion is that, I think -- I disagree with the Senator, where-- There has been precedent where Treasury has given other universities land for a dollar. In addition, this property was purchased by the Department of Higher Education back in the 1970s for the intent of the use of Stockton University. During that time, Stockton has maintained the property; they have taken on all the expenses. And when the Department of Higher Ed disbanded, or was dismantled, that, by default, became Treasury property. It was not the intent of the purchase, but it happened to be the result.

So at this time, Stockton is just asking, “We want to put more money into this property; but we don’t want to put money into a property that we don’t own. So can we transfer ownership to where it should be, which is the University?” And I think that sounds fair.

SENATOR SMITH: Do you believe that the price listed here is fair? Because Stockton has offered to buy the property for $125,000.

MR. TIGHUE: Yes, I believe that considering the amount of money that they have put into it during the time -- since the 1970s -- that
you wouldn’t expect them to pay market value, because it’s been something that they’ve already been investing in--

SENATOR SMITH: Investing in.

MR. TIGHUE: --over the years.

SENATOR SMITH: Do you have any ideas how much money they have put in since the 1970s?

MR. TIGHUE: I don’t have the number in front of me; I believe there are people here that have that, if you need that.

SENATOR SMITH: Yes, let’s ask.

MR. TIGHUE: Don.

MR. SHAUGHNESSY: Sir, could you please introduce yourself? Thank you.

DONALD HUDSON: My name is Don Hudson; I’m the Associate Vice President for Facilities and Construction at Stockton, and I’m a licensed architect.

MR. SHAUGHNESSY: Thank you.

MR. HUDSON: I’ve been with the college for about three years; and this was on our -- as part of our initiatives to try to reevaluate all the facilities. And we came to our understanding that it was State-owned property; we have done some research. And the last time I was here I wasn’t as prepared, because I didn’t understand really what the questions were going to be. I’m a bit more prepared now.

SENATOR SMITH: And so the answer to the question is--?

MR. HUDSON: Yes, $270,000 -- is what we were able to obtain from our records since 1970 -- we’ve put into the property. And that’s the minimum. On top of that, we’ve spent over $1 million, over that
time period, in sustaining the property -- the simple things of insurance, gas, electric, maintenance -- general maintenance, not capital improvements. That’s $270,000 worth of capital improvements. Our observations at this time is the property needs, probably, between $20,000 and $30,000 today of additional improvements. The roof needs to be done. And this was kind of the facilitator of us coming to this -- do we invest in this property? Do we continue to invest in a property that we don’t own?

The property is over 60 years old; and it’s -- many parts of it are past its useful life. It’s that 1952 genre style house.

SENATOR SMITH: Gerry, did you have a question?

SENATOR CARDINALE: Yes.

How much rent have you paid over the last 46 years that you’ve been using the house?

MR. HUDSON: Zero.

SENATOR CARDINALE: Zero. I thought you were paying a dollar a year or something.

MR. HUDSON: I don’t think I have records of a lease or a rental agreement.

SENATOR SMITH: Between $0 and $46 dollars. (laughter)

SENATOR CARDINALE: It’s zero. So if you took that $200,000-plus that you’ve spent on repairs, and you divided it over the 46 years that you’ve been using it, what does that rent come to annually?

MR. HUDSON: I don’t -- I didn’t do the math in my head as you asked. But I will mention that the property was intended for the use of the college, which is not just a residence. It’s also used for certain meetings during that time period. So it’s used for college use, not simply for a
residence. Especially, it was the house of three different Presidents; and the fourth President came in, years ago, and decided to purchase his own house. And his new house was more for the style of the students and the community -- you know, it can collect more people.

In that time period -- yes; and you're records will show that we have housed two Vice Presidents in the house, kind of as a tenant.

SENATOR CARDINALE: We understand that it’s been used for college use.

MR. HUDSON: Yes.

SENATOR CARDINALE: But that’s not a subject of debate. But do you know what that is? I saw you using your little calculator. (laughter) Are you--

MR. SHAUGHNESSY: I’m sorry; I was looking at my Blackberry. It’s not a calculator. (laughter)

SENATOR CARDINALE: By comparison with the fair rental value of that property--

MR. HUDSON: Yes, sir.

SENATOR CARDINALE: --it strikes me that you have gotten a great bargain over the last 46 years. It is not -- you haven’t been generous to the State; the State has been generous to you. Do you agree with that, or--

MR. HUDSON: I don’t agree with that.

SENATOR CARDINALE: You don’t agree with that. Well, we disagree.

MR. HUDSON: Yes, sir.
SENATOR CARDINALE: I mean, reasonable people can disagree. (laughter)

Is Stockton in a position financially to bid against competing bidders from the general public?

MR. HUDSON: I’m not at liberty to make that decision; that would be a Board decision. And this is new that -- as of just a few minutes ago, when you brought it up. So I’m not sure that we would compete in an open market to purchase this house.

SENATOR CARDINALE: Well, we have I don’t know how many other houses that are institutionally used in the current situation. And in all but one of those cases -- and that case is giving it to another governmental agency, but still charging our appraised value when we give it. I can’t see giving it to Stockton for less than the appraised value unless we put it up for auction. And by auction, we can determine what is a fair transaction.

How many of them do we have that are -- where we’re putting them up for Internet auction on today’s agenda?

MR. SHAUGHNESSY: Nos. 5 through 11, I know, are next coming up. And hopefully they will move more quickly.

SENATOR CARDINALE: There is a whole series of them that are--

MR. TIGHUE: I think it’s important to make a note that those auctions are properties of -- where the Department has declared them *surplus* and they no longer need them. In this case, that’s not happening; the college is using--
SENATOR CARDINALE: Shame on you. If you had no use for it yourself, and you haven’t declared it surplus--

MR. TIGHUE: But I think they are using it.

SENATOR CARDINALE: --and you want to give it away, that’s a public policy decision that you’re making that I don’t believe you have the authority to make that we should give it away. This is the body that has that authority; we are the husbands of -- to make sure that we don’t have give-away deals. I mean, you know, it’s nice that you want to make a gift; and if you were personally willing to write a check to Stockton to give them the money to advance it, I think that would be wonderful. But I don’t see that on the table.

MR. TIGHUE: I think we’re missing the intent of why it was purchased in the first place.

SENATOR SMITH: And why was it -- what was the intent, the original intent?

MR. TIGHUE: The intent was for use for Stockton College by the Department of Higher Education. And the only reason it is now a Treasury property was because there is no longer a Department of Higher Education. All that property, in every university, has become Treasury property by default.

SENATOR CARDINALE: How many more of these do we have that we’re giving away to Stockton or other colleges on a free-rent basis?

MR. TIGHUE: I’m not quite sure. I don’t know about houses, but I could tell you that oftentimes we see land that has been acquired that abuts colleges. We’ve come through this Commission, and the Commission
has approved a dollar sale to the university for -- so they could build dorms, or other types of use.

SENATOR CARDINALE: Well, I could certainly see building a dorm for student use in a different category than just giving free rent to a highly paid Administrator. We had that discussion at our last meeting; he’s paid enough money to house himself.

MR. TIGHUE: But is that a policy decision?

SENATOR CARDINALE: We don’t need to give him this extra gift. I don’t believe the general-- If we put this on the ballot, and the general public got an opportunity to vote on it, whether we should give that Administrator who makes over $200,000 a year housing free -- what do you guess the result would be on the ballot?

MR. TIGHUE: I can’t guess, but I would also say that that -- I don’t know if that’s a real estate decision; I think that’s a policy decision.

SENATOR SMITH: Let me throw a different analysis of this. I love $440,000 for the State more than $125,000. But I think it’s a legitimate argument that the original purchase by Higher Ed was to help Stockton State College.

MR. TIGHLUE: Correct.

SENATOR SMITH: In our budget, I believe, we provide aid to our State colleges; that’s one of the line items that we have. We don’t provide enough; we’re not supporting Higher Ed the way we should. We haven’t been for about 10 years. But I can see how Higher Ed could have had a policy 40 years ago that we should try and assist the new or the growing Stockton State College.
And I agree with Gerry; I’m not particularly impressed with the capital improvements, and maybe even the insurance costs. But at the end of the day, it’s Stockton State College; this is not a private entity, private developer, private lessee. This is, you know, in some ways a related State entity that’s providing educational -- higher educational services to our children, some in-state, some out-of-state -- that’s another issue. But it is Higher Ed. And I don’t know that we’re necessarily doing a bad thing by directing the sale to the State college.

Now, Gerry makes another point -- which is how about a little more money. Is there-- I think you should have the absolute right to buy it. The only question is, is the $125,000 sufficient? You have put money into it. Is it possible we could adjourn this for a meeting and let Stockton go back to its Board and see if we can get the highest and best offer? I mean, the one thing that’s a little uncomfortable to me is the $125,000 versus the $440,000 appraisal value. I mean, Senator Cardinale makes a decent point. I don’t know if having it auctioned off to the world at large is a great idea; but a little more money I think would go a long way toward making Senator Cardinale and Senator Smith feel better -- I think.

SENATOR CARDINALE: I would be perfectly willing to withdraw my motion if we were to give them an opportunity to buy it without an auction, but at the appraised value.

SENATOR SMITH: Or as close to it as possible.

MS. MELICK: Assemblyman Rible, you have--

ASSEMBLYMAN RIBLE: Thank you. I just want to jump in between you two for a minute.
Just real-- Do we know what Higher Ed paid for this property back in the 1970s?

MR. HUDSON: Yes we do; $64,000.

SENATOR SMITH: How much?

MR. HUDSON: It was $64,000 in 1970.

ASSEMBLYMAN RIBLE: All right. And now I’m looking at the -- the property location is Lot 7; what is Lot 8? What is next door?

MR. HUDSON: I don’t know; to the right or to the left?

ASSEMBLYMAN RIBLE: It would be to the left, from the way I’m looking at it.

MR. HUDSON: I think that’s another residence.

ASSEMBLYMAN RIBLE: And then there’s a cemetery, I believe.

MR. HUDSON: There’s a cemetery; there’s a golf course in the area. It’s a commercial district, primarily.

MR. TIGHUE: Route 9.

MR. HUDSON: Yes, Route 9 -- restaurants, churches, bars.

ASSEMBLYMAN RIBLE: So I tend to -- I see where Senator Cardinale is coming from. I kind of agree with Senator Smith, though; at the end of the day, what are we going to get at a public auction? How viable is this property? It’s two houses away from a cemetery; I don’t know what the value would be in a public auction. So maybe if we could get a couple more dollars from Stockton and call it a day, I think that’s, maybe, a better deal for the State. I don’t know what we’re going to get at public auction.
MR. HUDSON: And if I may, sir, there are certain aspects of the house that are unique and maybe not attractive to the general public. Our college is relatively expert in environmental sciences. We have the country’s largest geothermal system on our main campus; plus we have a geothermal system, that needs specific maintenance that we have skills in doing, on this building. So although the value might be high, it may not be attractive to the general public to acquire such a unique set of mechanical systems.

ASSEMBLYMAN RIBLE: And that’s where I was going with my point.

MR. HUDSON: Yes.

ASSEMBLYMAN RIBLE: So I agree with the Senator. I do think it’s an option for them to buy. I wholeheartedly agree; it makes all the sense.

SENATOR SMITH: Could we ask you to come back one more time? Come back with your highest and best; the $125,000 looks a little on the short side.

MR. HUDSON: Yes; I am not at liberty to go above the $125,000 at this time. So if you’re asking that, of course I will come back.

MR. SHAUGHNESSY: Motion to hold or table? Is that--

SENATOR SMITH: Motion to table.

MR. SHAUGHNESSY: Okay; Senator Smith.

Second?

SENATOR CARDINALE: Second.

MR. SHAUGHNESSY: I’ll call the roll.

Any further discussion? (no response)
Okay.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Approved.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is tabled.

We’re now on to No. 3, an EDA matter.

Former Riverfront State Prison, Block 79, Lot 13, proposed Lots 1, 2, 3, and 4, Camden, Camden County.

EDA requests approval to implement the Disposition Procedures -- which were approved and finalized in 2010 -- by allowing EDA to convey parcels to the developer under separate deeds. Final approval of the developer and the Purchase and Sale Agreement is required by the State House Commission, and will be sought at a future meeting.

The EDA would like to establish a minimum bid amount of $5 million for the former Riverfront Prison site in Camden. Lots 1 and 2 will be created to be parcels improved by the developer. EDA is also proposing
to establish Lots 3, which will be parkland; and Lot 4, public roadway right-of-way, as the public improvement parcels that will be transferred by EDA to the developer; who, in turn, will convey same to the City of Camden for $1 upon execution of a Purchase and Sale Agreement between EDA and the developer.

Do any members have any questions or concerns about this matter?

SENATOR SMITH: Where does the money go? It seems like it’s a little circuitous.

MR. SHAUGHNESSY: We have members from EDA here who would like to come up and explain to the Senator.

Thank you.

TIMOTHY J. LIZURA: Good morning, Mr. Chair (sic).

MR. SHAUGHNESSY: Thank you.

MR. MAZUR: Tim Lizura, President and Chief Operating Office--

MR. SHAUGHNESSY: Mr. Lizura.

MR. LIZURA: --from the New Jersey EDA.

The sale proceeds would go back to the State Treasurer.

SENATOR SMITH: Why is the appraised value $1.9 million and the recommended sale price $5 million?

MR. LIZURA: So thank you.

The appraised value was at the time of this Board’s action -- it was with the -- prior to demolition of the prison and prior to remediation. So basically it was as-is, where-is at the time of the first action.
SENATOR SMITH: Do you have a developer ready to go forward on this?

MR. LIZURA: We do not, sir. We would go through a two-step process, where we would issue a request for Qualifications and then, per the Senator’s request, effectively implement an auction process for the qualified bidders.

SENATOR SMITH: And what do you see being the ultimate development of the property?

MR. LIZURA: It’s a mixed-use plan. The City went through a master planning exercise which created the Blocks and Lots you see in front of you. I would expect probably low-rise residential and commercial. It’s a community area of the City; it really is in the center Business District.

SENATOR SMITH: Okay, thank you.

MR. SHAUGHNESSY: Any questions from any members?

SENATOR CARDINALE: I just have a comment.

In today’s world, where we are today, this certainly seems to me to be the best thing that we can do. And we’re putting it out for public bid so that -- well, it assuages my fear, some eight years ago, that I expressed when we originally made the determination that we should tear down the newest prison in New Jersey, with a value that was estimated between $50 million and $100 million, and turn that into raw land again.

It seemed to me, at the time, that that was an unwise decision, but that decision was made and we’re at a different point.

I also had concerns that that was all done for the very purpose of some favored developer getting control of the land. Well, we’re eight years down the road, and you’re assuaging my fears of a favored developer
getting the land by putting it up for auction. So I’m going to vote “yes” on your proposal.

MR. LIZURA: Thank you, Senator.

MR. SHAUGHNESSY: Any other members have any questions or comments? (no response)

Any member of the public want to be heard in this matter? (no response)

Hearing none, no further discussion.

I’ll call the roll.

Motion, please.

SENATOR SMITH: Move the matter.

ASSEMBLYMAN RIBLE: Second.

MR. SHAUGHNESSY: Motion and second.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible

ASSEMBLYMAN RIBLE: Yes.
MR. SHAUGHNESSY: That matter is approved. We’re on to No. 4 under Old Business, and then we’ll move on to New Business.

No. 4 -- Spicers Creek Boat Ramp, Block 753.01, part of Lot 39.05, Lower Township, Cape May County.

DEP requests amendment of the 20-year ground lease with New Cingular Wireless PCS, LLC, at the Spicers Creek Boat Ramp, which had been approved by the State House Commission October 23, 2014.

The Department is requesting the square footage of the ground lease be amended approximately 200 square feet, from 1,012 square feet to 812 -- actually 1,012 square feet from 812 square feet. New technology requires a slight design change to the site.

The annual rent will include the previously approved $700 per year, and be amended to include a co-locater rent of $13,032, with 3 percent annual increase.

Any member have any questions or comments on this matter?

SENATOR CARDINALE: I have only one question.

MR. SHAUGHNESSY: Okay, Senator.

SENATOR CARDINALE: And it was raised by the individual who sent us these commentaries. Does this money go into the Treasury, or does this money remain with the DEP?

MR. SHAUGHNESSY: I don’t believe this money comes to the Treasury.

GEORGE A. CHIDLEY: (off mike): That’s true. (laughter)

MR. SHAUGHNESSY: It remains with DEP.

SENATOR CARDINALE: And how-- Is this the DEP?
MR. CHIDLEY: Yes.

George Chidley, with the-- I’m the Manager of the Office of Leases in DEP.

SENATOR CARDINALE: So what do you intend to do with this money?

MR. CHIDLEY: The funds go back to -- in this case, they’ll go back to Fish and Wildlife.

SENATOR CARDINALE: What do you intend to do with it?

MR. CHIDLEY: That’s a decision for the Division more than myself. It will go back into their programming.

SENATOR CARDINALE: Will that be reflected in your ensuing budget requests? I mean, we just passed a budget; I’m sure you got some money in that budget.

MR. CHIDLEY: The lease figures are calculated into their budgets, yes.

SENATOR CARDINALE: But this is a lump sum of $13,000.

MR. CHIDLEY: It would be $13,302, and then it annually increases by 3 percent. So over the course of the 20 years, it will be a little over $300,000.

SENATOR CARDINALE: Was this income anticipated in your latest -- your most recent budget request?

MR. CHIDLEY: It is, but it’s not counted until we get through the meeting and execute an agreement.

SENATOR CARDINALE: I don’t understand that answer. It was--
MR. CHIDLEY: It’s taken into consideration. It was given to our Finance folks within the Department. They’re aware that this is out there, but until it is actually approved and there’s an executed lease, it’s not hard numbers.

SENATOR CARDINALE: So if we didn’t have this on the agenda, your request would have been $13,000 less?

MR. CHIDLEY: That I couldn’t speak to, but I would think so.

SENATOR SMITH: For what it’s worth, though, Fish and Wildlife is the most underfunded Division in the DEP and maybe in State government.

SENATOR CARDINALE: I happen to agree with you. I just wanted to clarify that, because we got a question from a resident--

SENATOR SMITH: Yes.

SENATOR CARDINALE: --who says that she believes all the money should go to the Treasury when we dispose of property. In effect, I believe the answer is, it is in effect going to Treasury in a circuitous manner -- but because they would have a lesser request for funds as a result of anticipating this income.

So thank you very much for clarifying.

MR. SHAUGHNESSY: Any other questions? (no response)

Do any public members have any questions or comments about this matter? (no response)

Hearing none, motion?

SENATOR SMITH: Move the matter.

MR. SHAUGHNESSY: Motion. Second?
MS. MELICK: Second.

MR. SHAUGHNESSY: Okay, I'll call the roll.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

On to New Business, and hopefully we’ll move quickly -- a little more quickly on this.

We’re going to look at No. 5 through 11, inclusive. They’re all the same, or substantially similar. All of these properties are on the Vineland Developmental campus property; all are Block 3201, part of Lot 1.

And the proposal is that they be auctioned for the appraised values, in the agenda, as the minimum starting bid.

So unless any members have any questions or comments--
SENATOR SMITH: How are the -- how is this Internet auction process doing? Are we getting significant-- Is it effective? How are we doing on the dollars that we’re receiving, etc.? How big is the pool?

MR. SHAUGHNESSY: It’s my information-- Upon information and belief, the most recent ones that were posted on the Internet auction both sold significantly-- One, at least, sold at minimum bid, and the other one was well above the minimum bid.

SENATOR SMITH: Okay.

MR. SHAUGHNESSY: So it’s been successful 100 percent, right now.

SENATOR CARDINALE: Is there any advertising beyond an Internet notice that these properties are going up for sale?

MR. SHAUGHNESSY: Yes, I believe there is.

SENATOR CARDINALE: Thank you.

MR. SHAUGHNESSY: Any other members’ questions? (no response)

Any member of the public want to be heard? (no response)

Hearing none, may I have a motion in--

SENATOR CARDINALE: I would move that we sell them all through the Internet.

MR. SHAUGHNESSY: Thank you very much, Senator.

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Okay, Senator Smith; thank you.

So we have a motion and a second.

I’ll call the roll.

Deputy Chief Counsel Melick.
MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay; that’s Nos. 5 through 11 have been approved. I appreciate it.

Now we’re on to No. 12, under New Business.

RPR 16-07, a former Morristown Group Home, Block 7001, Lot 18, in Morristown, Morris County.

Treasury, on behalf of the Department of Children and Families, recommends the direct sale of the property formerly known as the Morristown Group Home to the Town of Morristown. The former group home has been declared surplus to the DCF’s needs. The property will be sold for the appraised value of $490,000.

Do any members have any questions on No. 12?

SENATOR CARDINALE: Well, I think the question that I have is answered by this, but it was asked by this constituent.

The money is obviously going to go into Treasury.
MR. SHAUGHNESSY: Yes, sir.

SENATOR CARDINALE: And that it is available in the General Fund.

MR. SHAUGHNESSY: Yes.

SENATOR CARDINALE: Thank you.

I would move, when you’re ready.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: All in favor-- Oh, pardon me.

Any public comment before I take the roll? (no response)

We have motion and second.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Thank you.

On to No. 13 on our agenda.
RPR 16-10, Stockton University, Block 875.04, part of Lot 1.01, Galloway Township, Atlantic County.

Treasury recommends granting permanent easements to Atlantic County for the construction, installation, and maintenance of roadway improvements. This project will serve a significant public purpose, as it will improve vehicular travel, as well as increase safety and accessibility for pedestrian and bicycle movement in the vicinity of Stockton University. In addition to the easements, the County will require a temporary construction easement in order to complete the project.

Since the project directly benefits the life, safety, and welfare of motorists, pedestrians, and cyclists, the easements will be granted for $1.

Do any members have any questions on this easement request?
(no response)

Hearing none, does any member of the public have a question or comment about this easement? (no response)

Hearing none, may I have a motion, please?

SENATOR CARDINALE: So moved.

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Motion and second.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: No. 13 is approved.

No. 14, RPR-16-12, DCF Regional School-Hudson Campus, Block 225, Lot 10, Secaucus, Hudson County.

Treasury, on behalf of the New Jersey Department of Children and Families, recommends leasing the property known as the Department of Children and Families Regional Day School, Secaucus Campus, to the Town of Secaucus for use as an elementary school, including early education, afterschool programs, summer programming, and other such programs.

The property consists of an 11,339-square-foot school building. The Town of Secaucus is interested in purchasing the building at a later date. The lease will include a right of first refusal to purchase. Note: Any proposed purchase of the property pursuant to the right of first refusal will return to the State House Commission and be subject to the Commission’s approval.

The lease term will be for two years, with one, two-year renewal option at the annual rent of $147,407. The public agenda has a typo -- where it says $14 per square foot, that actually should read $13 per square foot, which is based on appraised rental value.
The Town will be responsible for all utilities and maintenance associated with the property.

I must note that recently it has come to the parties’ attention that there may be an issue as to the possibility of lead being detected in the water. The parties are investigating. In the interim and until mutual resolution, bottled water will be provided for drinking and cooking in accordance with the Safe Water Drinking Act. And DCF will perform any remediation, if required.

That’s about it.

Does any member have any questions or comments on No. 14?

MS. SCHERMERHORN: I have a question.

MR. SHAUGHNESSY: Yes, please.

MS. SCHERMERHORN: Are there any other changes that the State is required to do before the property is leased? Are there any modifications we’re going to do?

MR. SHAUGHNESSY: I don’t believe the State is going to perform any modifications. If there are any modifications, they will be done to suit the Secaucus school’s preferences.

MS. SCHERMERHORN: And they will be responsible for them?

MR. SHAUGHNESSY: Yes.

MS. SCHERMERHORN: And then my only other question is, at the end of the first two-year lease, if there’s a renewal, is there any change in the terms of the lease?

MR. SHAUGHNESSY: I’m not sure; I believe the lease negotiator, Mr. Tighue, is here.
MR. TIGHUE: Hi, again.

Actually, Secaucus is trying to purchase the property. That was the initial intent of them coming to us. They need to also get in by September, so we knew it would be impossible for a purchase to occur by then. So we both agreed on a two-year lease to give us time to work out the details of getting an appraisal, and working-out the details of a sale. So at this point, there is no renewal option; it’s just the intent is to, hopefully, have a purchase by the two-year time. If it comes to that point, we would have to renegotiate.

MR. SHAUGHNESSY: Any further questions or comments from the members?

SENATOR SMITH: Maybe just one, and maybe for the same--

MR. SHAUGHNESSY: Yes, Senator Smith.

SENATOR SMITH: Who is responsible for the cleanup of the lead problem?

MR. TIGHUE: DCF; the State is.

SENATOR SMITH: Okay. Do we have any idea of what the cost for remediation will be?

MR. TIGHUE: From what -- and I am not an expert in this. From what I understand, DCF had done a study on all their properties. And some came out with higher levels than what they wanted, this being one of the properties. And they’re taking immediate action to try to correct them, and they’re not at the point yet--

SENATOR SMITH: How high were the lead levels?

MR. TIGHUE: I don’t know; I wasn’t given a copy of the study. I just was told--
SENATOR SMITH: Do we have children in this facility under the jurisdiction and supervision of the State?

MR. TIGHUE: From what I understand -- I don’t know how long there has been an issue. But once they discovered an issue, everything was all -- drinking and cooking water was changed to bottled water.

SENATOR SMITH: Do you think we should be doing some follow-up studies on the kids who are there?

MR. TIGHUE: I think they are.

SENATOR SMITH: Okay.

MR. TIGHUE: Yes, I don’t want to-- I don’t know; again, it’s not a Treasury real estate issue, but I know that they are very concerned about the issue.

MS. MELICK: I had heard that there are five children in that school.

SENATOR SMITH: There are or were?

MS. MELICK: I guess were.

MR. TIGHUE: I think there was, up until the end of this school year.

MR. SHAUGHNESSY: It’s being vacated.

MS. MELICK: Yes, it’s being vacated.

MR. SHAUGHNESSY: That’s the reason it’s surplus.

MS. MELICK: So it’s five; and I’d also heard that some of the -- where the lead is, was not (indiscernible) in outside areas. I don’t know if that’s the case; just somebody talked to me about it.

MR. TIGHUE: Yes, I really can’t speak for that; I’m not an expert on that. I’m not quite sure.
SENATOR SMITH: So just in terms of our oversight, I think it would be an idea to write to the agency and say, “What is the status of the lead issue? Have you figured out costs or the impacts on the kids?” Only because if the answers to those questions are “yes,” there’s going to be a financial impact on us -- State government -- and it also affects the lease terms.

MR. TIGHUE: Well, I can tell you--

SENATOR SMITH: If I’m going to be the tenant, I’m going to want you to clean that up.

MR. TIGHUE: Oh, no, of course. And as of yesterday, my conversation with the Department of Children and Families was that they have -- they are working with consultants to try to fix this. I’m not sure -- is there someone from DCF here who can, maybe, speak on this?

MR. SHAUGHNESSY: Is there anyone from DCF here? (no response)

Unfortunately not.

MR. TIGHUE: No, okay.

SENATOR SMITH: So if we could ask Mr.--

MS. MELICK: Is there anyone from Secaucus here?

MR. SHAUGHNESSY: Is there anyone from Secaucus here?

Okay, we have the proposed tenant or lessee here, as well--

MR. TIGHUE: We do.

MR. SHAUGHNESSY: Okay.

SENATOR SMITH: So are you guys worried about it; are you worried about the lead?

MR. SHAUGHNESSY: Please introduce yourself, sir.
DAVID B. DRUMELER, Esq.: Greetings. My name is David Drumeler; I’m the Town Administrator for the Town of Secaucus.

We are planning on using this jointly with the Board of Education. We’ve briefed the Board of Education on it. It will primarily be used for a pre-K program that is a morning program and an afternoon program. There are no water fountains in the building, so we will be putting-- Just as the State has done for the six kids who are there now, we will be using bottled water for drinking. There won’t be any lunch program served there because there’s a morning session and an afternoon session.

We’ve also had the Hudson Regional Health Commission’s elevated lead investigator go through the building and look at the results. And he is not concerned with the lead levels, as long as the kids are not drinking any of the water there. It’s safe for washing hands, for utilizing the toilets, and things like that.

SENATOR SMITH: Okay, thank you.

MR. DRUMELER: You’re welcome.

MR. SHAUGHNESSY: Any other members have questions or comments? (no response)

Anyone from the public want to be heard? (no response)

Hearing none, may I have a motion?

ASSEMBLYMAN RIBLE: So moved.

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Motion and second; thank you.

I’ll call the roll.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay, thank you very much.

MR. DRUMELER: Thank you.

MR. SHAUGHNESSY: Moving on now to No. 15 on the agenda, which is RPR 16-13, Mountainview Correctional Center, Block 33, part of Lot 10, Clinton Township, Hunterdon County.

Treasury, on behalf of the Department of Corrections, recommends leasing property located on the grounds of the Mountainview Center to Hunterdon County for their continued use, access to, and expansion of their Emergency Services Training Center. The Training Center offers courses in a classroom setting; as well as providing practical applications utilizing various training props -- including a Class A Burn Building, a four-story smoke tower, confined space operations training, trench operations, a trailer maze, and a fire pit in which props such as vehicles, and oil and gas fires are replicated for extinguishing -- affording first responders with real life applications.
The Training Center offers customized training for the New Jersey Division of Fire Safety, Kean University, and the New Jersey Department of Corrections, on which grounds it’s located.

The County has been leasing a 9.8 +/- acre parcel of land from the State since 1977. The original lease, which had been for $1, has expired, and a new lease must now be approved. The County is requesting the amount of space they lease be increased by 8 +/- acres, bringing the total leased space to 17.8 +/- acres.

Since the lease directly benefits the State of New Jersey and the citizens of New Jersey, the lease will be for a 20-year term at an annual rent of $1.

So that’s the proposal before the Commission.

Any members want to be heard, or have any questions on the matter? (no response)

Hearing none, any member of the public want to be heard? (no response)

Hearing none, may I have a motion on this matter?

SENATOR CARDINALE: So moved.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Motion and second.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: The matter is approved.

Next, we’re on to No. 16 on the agenda -- RPR 16-14, the former Greystone Psychiatric Hospital, Block 10, part of Lot 1.01, Parsippany-Troy Hill Township, Morris County.

The New Jersey Department of the Treasury, on behalf of the New Jersey Department of Human Services, recommends granting an easement to Morris County for the construction and maintenance of an access road on the grounds of the former Greystone Psychiatric Hospital.

The access road is necessary to alleviate traffic issues arising from the adjacent County-owned recreational facilities. The total easement will consist of about 13.91 +/- acres of land. Since this project directly benefits the life, safety, and welfare of motorists, pedestrians, and cyclists, the easement will be granted for $1.

Do any members have any questions or comments about this matter? (no response)

Hearing none, any member of the public want to be heard or testify?

Please, come on up and identify yourself.
Thank you.

MOIRA DILLAWAY, Esq.: Hi, my name is Moira Dillaway. I live at 115 Glenbrook Road in Morris Plains.

I don’t want to belabor this point; I understand that this easement should be granted today. I want to thank you; this has been a long time coming.

Our streets in the area, right outside of Central Park, have become inundated with traffic. And it’s just become very, very unsafe for people who are using their front lawns, using the streets for riding bicycles, pushing strollers. We have a lot of out-of-state traffic coming through for tournaments that the park hosts.

So I understand that there are additional steps after the easement is granted today. And I’m just here to urge whoever is involved in that -- please do everything that they can to make sure that this access road is actually built as quickly as possible so that our neighborhood can go back to a normal state.

Thank you.

MR. SHAUGHNESSY: Thank you.

Any other member of the public wish to be heard? (no response)

Hearing none, may I have a motion on this matter?

SENATOR CARDINALE: So moved.

ASSEMBLYMAN RIBLE: Second.

MR. SHAUGHNESSY: Motion and second; thank you.

Any further discussion? (no response)

I’ll call the roll.
Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

Now we're on to DEP requests. No. 17: Higbee Beach Wildlife Management Area, Block 748, part of Lots 34.03, 35.01, and 35.02, Lower Township, Cape May County.

DEP requests approval to lease approximately 0.38 acres of land for the Cape May Maritime Museum and Education Center, a non-profit organization dedicated to the study of the region’s maritime history and culture, for 10 years, with the option to renew for an additional 10 years. The proposed rent is a one-time payment of $20 for the initial 10-year term, as well as any renewal term. The nonprofit is responsible for the maintenance, repair, and operation of the improvements during the term of the lease.
Any member of the Commission want to be heard on this matter?

SENATOR SMITH: Just a -- I noticed that our rents have gone up 100 percent, from $1 a year to $2 a year. (laughter)

MR. SHAUGHNESSY: It’s $20 a year.

SENATOR SMITH: Oh, is it $20 a year?

MR. SHAUGHNESSY: It’s $20 a year.

SENATOR SMITH: So they’ve gone up by a factor of 20 times. (laughter)

MR. SHAUGHNESSY: That’s--

SENATOR SMITH: Very aggressive. (laughter)

MR. SHAUGHNESSY: Any other members have any questions or comments? (no response)

Hearing none, any member of the public want to be heard in this matter? (no response)

Hearing none, may I have a motion, please?

SENATOR SMITH: So moved.

MR. SHAUGHNESSY: Second?

ASSEMBLYMAN RIBLE: Second.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Thank you; No. 17 is approved.

No. 18 is Great Sound State Park, Block 114, Lot 17, Middle Township, Cape May County.

DEP requests approval to enter into a 10-year lease agreement with the United States of America -- the Government -- acting by and through the Secretary of the United States Department of Agriculture, for the Cape May Plant Material Center. The lease will replace and supersede an expired 50-year lease that was executed in 1965.

The annual rent for the first year will be in the amount of $6,144, and escalate annually at 2.5 percent per year. And I will just note that that is the correct escalation per year, 2.5 percent a year. So to the extent that there is any other escalation referenced in your members’ packet, this confirms that 2.5 percent is the correct escalator.

Any members have a question or comment about this matter? (no response)

Hearing none, any member of the public want to be heard? (no response)

Hearing none, may I have a motion?

SENATOR CARDINALE: So moved.

MR. SHAUGHNESSY: Second?
MS. MELICK: Second.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale.

SENATOR CARDINALE: Yes.

MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: The matter is approved.

No. 19: This is a group of various farm lease agreements at various State Parks throughout the state.

DEP State Park Service requests approval to execute 38 farm lease agreements on Park lands throughout the State. The agreements are for five years, with an option to renew for three additional, five-year terms. No public concerns have been noted.

It should be noted the rental rate for each parcel was set by the highest bid at public auctions. The rental rates will be increased at the beginning of the renewal term or terms to reflect the current fair market rental of the lease premises as determined by the Consumer Price Index, or value of similar real estate rentals.
That’s No. 19.
Any members have any questions or comments? (no response)
Any member of the public want to be heard?
Yes.

BARBARA SACHAU: Barbara Sachau.

MR. SHAUGHNESSY: Welcome, Ms. Sachau. We do have your comments, which have been received--

MS. SACHAU: No, but I wanted to correct my comments, in that I thought these were from -- farm leases from the New Jersey Division of Fish and Wildlife, which certainly is akin to this agency in putting farm leases all over.

And the fact of the matter is, I believe the sketchy information submitted by the Division of Parks on this, and just saying there are 38 leases -- I think that the public has a right to know which leases in what locations. Because you’re taking away the use of the public from this area when you put it into a revenue-producing stream. Unfortunately, the people of the state have been paying Open Space monies for the last 30 years or so to have Open Space, to have room in our parks to use them. And when you lease them for revenue production like you are -- like this Division is, the public loses the right to use that land. The wildlife loses the right to be there; the trees are cut down; certainly, trees are cut down to make farms. And we all know we need to have trees, with each tree producing enough oxygen for four people.

So if we keep having a policy of the public paying for Open Space, and then these divisions taking our Open Space and turning it into revenue producing, we’re losing what the public had the intent to do with
their money. I mean, we have been paying a long time for this land to be kept natural. And certainly, land kept natural is beneficial to everybody in the state -- everybody.

And there are public concerns noted. Certainly I have kept aware of this with the New Jersey Division of Fish and Wildlife; however I find that the Division of Parks is even more secretive than the Division of Fish and Wildlife in letting information out so that we have information on what their actions are.

You can’t find this information on their website, for example. Why not? Why isn’t this information on their website -- that these locations that were saved for Open Space now have farms on them? And the monies from this -- this is a revenue stream that even though the public was taxed for this space, the revenue stream from this land doesn’t go back to the general Treasury; it all gets absorbed in the budgets of these divisions which we can’t even find out information about. I went to a hearing on the budget of DEP, and you can’t find out the information on what their revenue stream is. It’s very closed, so that the revenue stream is being magnified, and then it’s not being admitted to the public.

Not all uses of farms are beneficial. I mean, they are still using glyphosate and doing some other things on farms that make that land then not so beneficial for the rest of the people who need to use it.

And I have never seen this question put to the public on the use of our Open Space by the Division of Parks. If they want to use our land in these various things, it seems to me it should have been a question in the New Jersey Register for the public to speak about; it never was. I’ve been
following the New Jersey Register for the last 10 years; I’ve never seen a question like that put to the public.

So I find a lot of problems with the way the DEP is marauding and using public land. That’s public land that belongs to almost 9 million of us, not to the employees of these divisions.

Thank you for listening.

MR. SHAUGHNESSY: Thank you, Ms. Sachau.

Does any member have any questions or comments? (no response)

Does any member of the public want to say anything, or be heard? (no response)

Hearing none, may I have a motion on No. 19?

SENATOR SMITH: Well, just before you do.

MR. SHAUGHNESSY: Sure, Senator.

SENATOR SMITH: I think the citizen has at least one valid point, which is we’re saying 30 leases, at least, in our-- Do we know what the properties are? Do we have a list? Are they in--

ASSEMBLYMAN RIBLE: It’s in our notes.

MR. SHAUGHNESSY: Yes, I believe in the members’ packets there are specification as to the lots and blocks, and the acreage, and things like that.

MS. MELICK: Right.

MR. SHAUGHNESSY: And the DEP is probably aware of those, because they submitted that information.

SENATOR SMITH: Yes, and I think-- By the way, does this stuff in our books go online, our background briefing?
MR. SHAUGHNESSY: No, the public agenda goes online; the stuff in the books does not go online.

MS. MELICK: Right.

SENATOR SMITH: All right; well, I think in the future, she has a pretty good point about, we should at least have on our agenda what the properties are -- block and lot, and town -- so that people may be more interested if they know which the properties were. I don’t think we should hold it up at this point. I think this is probably-- Maybe Ms. Yeany can tell us: Is this the way in which we normally do the farm leases?

MS. MELICK: As I read this, it appears that before they go through this process, it has been put in newspapers and made to the public -- that this process is going to happen.

SENATOR SMITH: All right, maybe we can hear something.

JUDETH PICCININI YEANY, Esq.: Mr. Chidley can talk about the process for the farm leases.

I just wanted to point out, as far as sharing agenda information with the public, that our practice is that if someone calls us, once the Commissioner makes his decisions and signs that summary that you have in your packet, we do make those available to the public on request once the agenda for the meeting is set. So we have had requests for specific agenda items, and we’ll send out those summaries. But we generally don’t do it until the agenda is set, because we don’t know which ones the Commission has accepted for consideration.

SENATOR SMITH: Yes, but you know what the problem with that is -- we don’t know what the agenda is for all that long a period of time either. (laughter)
MS. YEANY: Well, and we can -- I don’t know about the other agencies, but we could certainly explore, because we scan these anyway and create PDF documents--

SENATOR SMITH: Yes, why not?

MS. YEANY: --that we could post those in line.

SENATOR SMITH: I think that would be helpful, you know? A little more on the exposure side can’t hurt.

So what’s the process with farm lands?

MR. CHIDLEY: Typically what the process is -- we go through an advertising process, where we notify every farmer who we have existing leases with. We also work with the Department of Agriculture and SDA to get the information out.

When we’re getting ready to publish, we do notices in the Star--

SENATOR SMITH: Star-Ledger?

MR. CHIDLEY: Star-Ledger, Bergen County Times, Gloucester County Times, Burlington Times. Those are small pieces, but they direct you to our website. For each website, we break the leases into north, central, and south. They’re advertised with the copies of the maps, copies of the block and lot information, minimum bids -- all the information you would need to proceed to participate in a bid auction. The bid auctions themselves are then advertised; and we re-notice individually to farmers, as well as contact them by phone if they don’t have an e-mail address with us, to let them know the dates and times for those auctions.

So the information is definitely out there. From the beginning of the process, for us, anybody from the public can go to our website; you look at current lease opportunities within DEP; it’s on the main site, it has
its own heading. We also have one for Concessions, and that information is readily available.

SENATOR SMITH: What’s the public policy behind allowing farming on some Park land?

MR. CHIDLEY: The majority of the properties were already farmed at the time that they were picked up--

SENATOR SMITH: Purchased?

MR. CHIDLEY: --so we’re keeping them in farming to assist with the farming community. It also provides for biodiversity, and keeps everything from becoming a singular habitat. It provides benefits through that.

SENATOR SMITH: It’s not really about the money.

MR. CHIDLEY: It’s a combination of things. A lot of it is keeping the property viable; to keep (sic) changes in species populations, as well as maintenance.

SENATOR SMITH: I got it.

MR. CHIDLEY: Parks cannot go out and maintain all the properties. And farming -- in some cases, it’s been in farming for the last hundred years.

As we’re only touching those areas; we’re not creating new fields. We do not approve new fields.

SENATOR SMITH: Right.

MR. CHIDLEY: We’re very careful, through using GIS, to track out the fields. Those where we have questions, we do field studies and certify that the areas are what we say they are. We do our calculations
based on the actual acreage that is presently there. We do not allow any expansion or changes in the farming activity without our pre-approval.

SENATOR SMITH: Thank you.

MR. SHAUGHNESSY: Any other members of the public want to be heard?

Yes, sir.

JEFF TITTEL: Two quick points on leases.

MR. SHAUGHNESSY: Mr. Tittel, just please--

MR. TITTEL: Yes; Jeff Tittel, New Jersey Sierra Club.

MR. SHAUGHNESSY: Thank you.

MR. TITTEL: Also, you also need to make sure there’s oversight on these leases. We had found out, many years ago, on Six-Mile Run, when it was leased to a farm for a similar amount -- you know, for farming, like $3,000 for the year -- they turned around and were renting it out for about $40,000 to a hunting club during the hunting season, piggy-backing off it.

The other point I would make, too, is that some of these farm fields could be good forest succession areas. And instead of going into, like, Sparta Mountain and cutting down forests, maybe we just -- these are the kind of places we could do some of that stuff.

MR. SHAUGHNESSY: Well, thank you, Ms. Sachau, for your comments; and Mr. Tittel and DEP for your answers and responses.

Any other discussion by the members? (no response)

If not, may I have a motion?

SENATOR CARDINALE: So moved.

ASSEMBLYMAN RIBLE: Second.
MR. SHAUGHNESSY: Motion and second.
I'll call the roll.
Deputy Chief Counsel Melick.
MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.
ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale.
SENATOR CARDINALE: Yes.
MR. SHAUGHNESSY: Senator Smith.
SENATOR SMITH: Yes.
MR. SHAUGHNESSY: Assemblyman Rible.
ASSEMBLYMAN RIBLE: Yes.
MR. SHAUGHNESSY: That matter is approved.
We’re on to No. 20: Delaware & Raritan Canal State Park and Spruce Run Recreation Area. Delaware & Raritan Canal State Park, Block 58, part of Lot 10.03, Franklin Township, Somerset County. Spruce Run Recreational Area, Block 33, parts of Lots 57 and 56; Block 2, parts of Lots 2 and 4, Harmony and Lopatcong townships, Warren County.
Senator--
MS. MELICK: Gary?
SENATOR CARDINALE: I’m going to have to leave, and I’m leaving you a positive vote on all the--
MR. SHAUGHNESSY: On the balance of the agenda.
SENATOR CARDINALE: --on the balance of the agenda.
MR. SHAUGHNESSY: Thank you, Senator.
MS. MELICK: Thank you.
MR. KOTLER: Including the Judicial Pension Board?
SENATOR CARDINALE: Yes; whatever--
MR. SHAUGHNESSY: Okay, so on to No. 20.

The NJ DEP State Park Service requests approval to execute two farm lease agreements on Park land located at Spruce Run Recreation Area and at Delaware and Raritan Canal State Park. Agreements are for five years, with the option to renew for three additional five-year terms.

The annual rent from these two farm leases will total $3,162 for each year of the initial five-year term. The rental rate will be increased at the beginning of the renewal term to reflect current fair market value of the leased premises, as determined by changes in the Consumer Price Index or the value of rental realty.

So that’s No. 20.

Any members have any questions? (no response)
Any members of the public have any questions? (no response)
May I have a motion?

ASSEMBLYMAN RIBLE: So moved.
MR. SHAUGHNESSY: Second?
SENATOR SMITH: Second.
MR. SHAUGHNESSY: Deputy Chief Counsel Melick.
MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.
ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale has been marked in the affirmative.

Senator Smith.
SENATOR SMITH: Yes.
MR. SHAUGHNESSY: Assemblyman Rible.
ASSEMBLYMAN RIBLE: Yes.
MR. SHAUGHNESSY: That matter is approved.

On to No. 21: Brendon T. Byrne State Forest, Block 897, part of Lot 1.01, Pemberton Township, Burlington County.

DEP requests approval to execute a lease agreement on a portion of Brendan T. Byrne State Forest. The initial term of the agreement will be for seven years, with an option to renew for an additional two, five-year terms.

The annual rent for this lease agreement will be $1,320 for each year of the initial five-year term. The rental rate will be increased at the beginning of the renewal term to reflect the current fair market value of the leased premises, as determined by changes in the Consumer Price Index or the value of similar real estate rentals.

Any member want to be heard on this matter?

AMY HANSEN: (off mike) Yes, I do.

MR. SHAUGHNESSY: Okay, we have a member of the public; that’s great.
First, any member from the Commission want to be heard? (no response)

Hearing none -- okay, please, introduce yourself.

Thank you.

MS. HANSEN: Hi, I’m Amy Hansen with New Jersey Conservation Foundation.

MR. SHAUGHNESSY: Hi, Amy.

MS. HANSEN: Thank you for the opportunity to ask questions about this proposal to lease a portion of Brendan Byrne State Forest.

We have questions about whether the lease includes any of the lots that are part of the outstanding 70-acre Freshwater Wetlands violation from approximately 2005 or 2006. The DEP issued a Notice of Violation to the farmer farming the bogs near the historic Whitesbog Village. However, the farmer has not taken any action to cure the violation, and we believe this issue should be addressed before the lease goes forward.

In addition, it is important to find out whether the farmer wishes to close down the road along Cranberry Run, which is alongside the bogs he has been farming. No road closing should take place for a private purpose. Brendan Byrne State Forest is publicly owned State Parkland.

We respectfully ask that the DEP address these questions before approving this lease.

Thank you.

MR. SHAUGHNESSY: Thank you for your comments.

Is there anyone from the DEP here who may be able to address these couple of concerns or comments?
Mr. Chidley.

MR. CHIDLEY: George Chidley, DEP.

MR. SHAUGHNESSY: Welcome, again.

MR. CHIDLEY: I might just stay here.

The property that we’re talking about is not part of the violation that was being discussed; we’ve checked that. It was under a special use permit prior to this, and it’s kind of the only water rights for this property are currently held by the tenant for cranberry operations. This was used for blueberry, and that’s likely that that’s what it will continue to do.

As far as closing the roads, there are no roads being closed -- proposed under this action.

MR. SHAUGHNESSY: Thank you.

Yes, Mr. Tittel.

MR. TITTEL: We’ve been involved with the violation there for a lot of years. And why would we re-up a lease when there’s an outstanding major wetland violation by that same property owner? It doesn’t make any sense -- or the same lessee, I should say, not property owner.

The EPA had to force New Jersey to actually go in and adjudicate that violation. Because of the owner having a lot of political connections, DEP looked the other way while they went in and destroyed 20-plus acres of wetlands. That has still never been dealt with, and now we’re going to re-up a lease for the same person when the violation is still there?

MR. SHAUGHNESSY: Thank you very much.
SENATOR SMITH: Let’s hear a little bit more about that, okay?

MR. SHAUGHNESSY: Excuse me, Senator Smith?

SENATOR SMITH: Can we hear a little but more from DEP about the violation and where it stands?

MR. SHAUGHNESSY: Does anyone from DEP have more information -- any more information on the violation?

MR. CHIDLEY: We can certainly request that it be tabled until I can get information. I just don’t have any information on the violation itself. Again, it’s related to another piece of property. As far as I’m aware, there is nothing going on within those properties. It’s been to court; beyond that, I’m not sure where the enforcement side is. And it’s not something that my office deals with directly.

SENATOR SMITH: Is the property that has the violation versus the property that is the subject of (indiscernible) -- are they in proximity to each other?

MR. CHIDLEY: One is kind of tucked within the other property.

SENATOR SMITH: Which is which?

MR. CHIDLEY: This piece of property is kind of surrounded in some ways--

SENATOR SMITH: It surrounds it; it surrounds the other piece.

MR. CHIDLEY: Yes.

SENATOR SMITH: But you don’t know the status of that violation? And is it the same parties involved in both?
MR. CHIDLEY: Yes, it’s Whitesbog, with Darlington. South Jersey --- he’s a large cranberry grower.

SENATOR SMITH: Okay.

Just throwing it out -- is it worth getting that information before we take action?

MR. SHAUGHNESSY: What’s the consensus of the members?

SENATOR SMITH: When is the lease up?

MR. CHIDLEY: The other lease -- it goes on for another 25 years. And he can’t do anything as far as farm or do any agriculture on the area that is in dispute under DEP’s other rules. So he’s not technically in violation of anything from a lease standpoint.

SENATOR SMITH: And how about for the property that’s up today?

MR. CHIDLEY: Right now, nothing will happen with it, because it’s basically -- he has no authority other than if we go back to using a Special Use permit.

SENATOR SMITH: So he would continue doing what he’s doing?

MR. CHIDLEY: He’s doing nothing, at this point.

SENATOR SMITH: Oh, he’s doing nothing.

MR. CHIDLEY: Without that, the idea of investing to do any plantings or the things that would need to be done in order to make any productivity out of that small portion -- it’s not worth doing unless you know you have some commitment in time.

SENATOR SMITH: Okay. I think the point that the citizen was making was that if it’s the same entity, same person, that there’s a prior
history of what looks like bad behavior. So the question is, do we want to extend the lease if, in fact, it is the same party and there was bad behavior. And I think I’d like to know how it ended up. You know, was there any adjudication of the violation? Has it been remediated? You know, what’s happened with it? And that’s not to say that I wouldn’t necessarily vote for this, but I think we should have that information.

MR. SHAUGHNESSY: There’s a motion to table--
SENATOR SMITH: Table it to the next meeting, yes.
MR. SHAUGHNESSY: --to obtain that information.
ASSEMBLYMAN RIBLE: Second it.
SENATOR SMITH: And if the DEP would come back with that information, we’d appreciate it.

MR. SHAUGHNESSY: Okay; any further discussion? (no response)

I'll call the roll.
Deputy Chief Counsel Melick.
MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale -- pardon me, he’s in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.
MR. SHAUGHNESSY: And Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

Next DEP request is No. 22: Delaware & Raritan Canal State Park, Block 85, part of Lots 62.02 and 63.02; Block 57.01, part of Lot 32.02, Franklin Township, Somerset County.

DEP requests approval to execute the second amendment to the lease agreement. The amendment established a new annual rental rate and revises the terms and conditions of the original lease executed in 1979.

The annual rent will be $2,340 for each year of the initial five-year term. The rental rate was set using the soil rental rates set by the Farm Service Agency of the United States Department of Agriculture. The rent shall be increased every five years by the same percentage that the Farm Service Agency of the United States Department of Agriculture has increased the soil rental rates for the soil classification applicable to the premises.

Does any member have any question or comment on this matter? (no response)

Any member of the public want to be heard? (no response)

Hearing neither -- motion, please.

SENATOR SMITH: Move the matter.

MR. SHAUGHNESSY: Motion.

MS. MELICK: Second.

MR. SHAUGHNESSY: I'll call the roll.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale has been marked in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

On to No. 23 -- Fortescue Marina, Downe Township, Cumberland County.

DEP requests approval to amend the 20-year lease agreement executed on June 2, 1998, between the Department and the Fortescue Captains and Boat Owners Association, Inc., the tenant, to allow for the abatement of rent. The original agreement does not provide for the abatement of rent for any reason. The tenant has demonstrated to the Department that it has been unable to make improvements as required, due to declining marina revenue.

The Department shall provide a retroactive abatement of rent in the amount not to exceed $67,180 for upgrades completed by the tenant in 2010. In addition, the tenant shall be required to create an Abatement Improvement Plan for any and all future improvements that are not routine maintenance and repairs.
The annual average rental rate, over the past five years, has been $20,731.

Does any member have any questions or comments on No. 23?

SENATOR SMITH: How does it work? Are you saying that the rent is being reduced by the amount that was used for an upgrade?

MR. SHAUGHNESSY: I believe so; but who could provide specificity from the Department?

MR. CHIDLEY: George Chidley again, Leases and Concessions.

The $67,000 is already expended on electrical improvements. They made the docks viable; there was a change in the electrical panel that necessitated all of the docks being re-electrified. And the Captains and Boat Owners Association -- it was kind of a State project. We did the panel; they ended up doing the docks themselves. That was something that could have been anticipated by them as a result of the project.

As far as the other revenues: The rent will go into an escrow; the escrow will then be used to take care of some of the longer-term maintenance items -- mostly it is to open up the slips through dredging. That money will be under the control-- The rent will go into the escrow; the escrow will then be approved -- those expenses will be approved by our Office. It will also make the property more viable as we come to the end of this lease. This lease only has a couple of years left in it.

MR. SHAUGHNESSY: Thank you.

Any other questions by the members?

SENATOR SMITH: From a policy perspective, the reason that the Department is recommending this is that they are -- it is our property,
the State of New Jersey’s property. And that it’s deteriorating and we want the tenant to make the improvements. And you think it’s valid to give him credit for those improvements.

MR. CHIDLEY: Yes, we do.

SENATOR SMITH: Okay.

MR. SHAUGHNESSY: Any members of the public want to be heard on this matter? (no response)

Hearing none, any further discussion from the members? (no response)

SENATOR SMITH: Move the matter.

MR. SHAUGHNESSY: Motion, Senator Smith.

ASSEMBLYMAN RIBLE: Second.

MR. SHAUGHNESSY: Second, Assemblyman Rible; thank you.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale has been marked in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.
MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved; No. 23 is approved.

On to No. 24 -- Delaware and Raritan Canal State Park, Block 425, part of Lot 1, Ewing Township, Mercer County.

DEP requests approval to convey approximately 0.358 +/- acres of land in easements to the Delaware River Joint Toll Bridge Commission in connection with the replacement and realignment of the Scudder Falls Bridge over the D&R Canal State Park in Ewing Township, Mercer County.

To compensate, the Toll Bridge Commission will provide $2 million to construct an interpretive swing bridge and/or for other historical interpretation of the Delaware and Raritan Canal. In addition, the Commission will compensate for the removal of 22 trees in the proposed easement area through a combination of tree planting in the Park and equivalent cash compensation.

The Commission will construct and maintain a bicycle/pedestrian ramp connecting Delaware Canal State Park in Pennsylvania with the Delaware Canal State Park in New Jersey.

That’s the sum and substance of this matter.

Any questions or comments from the Commission? (no response)

Hearing none, any members want to be heard?

MR. TITTEL: (off mike) Just-- I’ll be--

MR. SHAUGHNESSY: Yes, Mr. Tittel.
MR. TITTEL: I’ll be brief.

This is a $400 million bridge project that’s going to have major environmental impacts and impacts to the canal. What they’re doing is taking a four-lane bridge and turning it into a nine-lane bridge. The interesting part is, southbound it’s five lanes going into a two-lane road, which makes absolutely no sense.

And the bike ramp was put in as a condition of their approval, because of the traffic impacts and air pollution. So it’s not something that was automatically done.

I think there’s going to be more -- based on the design coming in -- taking of parkland. And my one concern here is that $2 million may seem like a lot of money, but given the impacts that this would have to an historic area, the State should be looking to get more compensation, not less.

Also, the concern, from a historic standpoint, is that as this bridge is going to be tolled when it’s widened, it’s going to put pressure on a lot of the older historic bridges in the area and on the local roads.

So even though I think the swing bridge, or whatever, is a nice amenity, I think the State is -- the DEP, given the impacts this is going to have to this historic park, is actually getting shortchanged.

MR. SHAUGHNESSY: Thank you.

Anyone else from the public want to be heard? (no response)

DEP, do you want to say anything? (no response)

MR. SHAUGHNESSY: Okay, any further questions from the members? (no response)

If not, may I have a motion?
MS. MELICK: So moved.
MR. SHAUGHNESSY: Second?
ASSEMBLYMAN RIBLE: Second.
MR. SHAUGHNESSY: Motion and second.
Deputy Chief Counsel Melick.
MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.
ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale his reviewed in the affirmative.

Senator Smith.
SENATOR SMITH: I’m going to abstain.
MR. SHAUGHNESSY: Abstain.
Assemblyman Rible.
ASSEMBLYMAN RIBLE: Yes.
MR. SHAUGHNESSY: That matter is approved; thank you, Counsel.

Okay; we’re now on the agenda to -- pardon me -- No. 25. Stavola Beechwoods Preserve, Block 102, part of Lot 1, Borough of Pemberton, Burlington County.

DEP, on behalf of the Rancocas Conservancy, requests approval to allow the conveyance of approximately 0.19+/- acres of Green Acres-funded parkland to Burlington County in connection with proposed
improvements to County Route 530 in Pemberton Borough, Burlington County.

The disposal is needed for right-of-way purposes for improvements to mitigate a high accident rate, improve traffic circulation along the corridor and at intersections, eliminate substandard geometry, and reconstruct an inadequate drainage system.

To compensate for the proposed disposal, the Rancocas Conservancy proposes to accept from the County and encumber with Green Acres restrictions 8.68 +/- acres of property adjacent to the Preserve.

Does any member have any questions or comments about this matter? (no response)

Any member of the public want to be heard? (no response)

Hearing none, may I have a motion on No. 25?

ASSEMBLYMAN RIBLE: So moved.

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Second; motion and second.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale is in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.
MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay, that matter is approved. That’s No. 25.

On to No. 26 on the agenda -- Public Beach, Block 99.02, parts of Lots 1 and 1.01, Borough of Seaside Heights, Ocean County.

DEP, on behalf of the Borough of Seaside Heights, seeks approval to convey approximately 1.37 +/- acres of the Borough’s beach to the owner of the Casino Pier in exchange for ownership of the historic Dentzel-Loof Carousel and additional compensation.

Casino Pier proposes to replace the iconic rides destroyed in Superstorm Sandy in the expansion area, rather than rebuilding the pier over the ocean.

To compensate for the proposed disposal, the Casino Pier operators propose to convey, number one, as replacement land, Block 56, Lots 1, 3, 7 and 9, totaling 0.75 +/- acres located along the Borough’s boardwalk; and, two, donate the historic Dentzel-Loof Carousel to the Borough; plus the Borough has also agreed to dedicate, as replacement land, Block 409, Lot 20.02, consisting of 67.171 +/- acres. This parcel is owned by Ocean County and located in Toms River Township adjacent to the County’s Winding River Park.

That’s the matter for consideration.

Does any member have any questions or comments? (no response)

Hearing none--

SENATOR SMITH: Well--
MR. SHAUGHNESSY: Senator Smith.

SENATOR SMITH: I think I’m going to have some questions, but I want to hear more about the proposal. You know, there’s-- I am sitting here a while, and I have not seen the DEP ever recommend the sale of public beach; this is like a first. So I would like to hear more -- a more elaborate discussion of both.

MR. SHAUGHNESSY: Okay.

Ms. Yeany, from the DEP.

MS. YEANY: Good afternoon.

Before I get further into the details of the application, Counsel for the Commission asked me to clarify one point about the compensation, which was that the 67 acre replacement parcel in Toms River will continue to be owned by the County. The summary that we submitted implies that the Borough was going to place a restriction on land that it doesn’t own, which is not the case. The County is assisting the Borough in providing compensation by offering a property it owns. It would put it on its recreation and open space inventory; add it to the County Park.

MR. SHAUGHNESSY: Thank you for that clarification.

SENATOR SMITH: So let me ask you about the 67 acres.

MS. YEANY: Sure.

SENATOR SMITH: Is it developable?

MS. YEANY: I don’t know that it’s developable, but it certainly had been determined by Green Acres to be eligible as compensation for a prior diversion proposal that did not come to fruition.

SENATOR SMITH: Okay.
MS. YEANY: If you look in the summary, the fair market value of that property was--

SENATOR SMITH: It was $275,000.

MS. YEANY: Right; which is not particularly high, I think, for that area.

SENATOR SMITH: It doesn’t sound like it’s developable.

MS. YEANY: So, you know, we do look at two things: We look at fair market value; we’re looking to assure that the public is compensated both for the size of the area being diverted -- which certainly there’s a high ratio of compensation from a size perspective. And then, also, at least one-to-one value. So in this particular application -- which certainly is an unusual one when you add all the components of the compensation together -- we believe there’s in excess of at least $500,000 in value in this transaction.

We do have people here representing the Borough. As you know, it’s not necessarily our proposal, even though the Commissioner has supported it. I have Assistant Commissioner Boornazian here to speak on behalf of Commissioner Martin, if you’d like to hear from him.

SENATOR SMITH: I would, but I’d like to hear more from you first.

How is it that you account for a diversion if the ownership is going to stay the same?

MS. YEANY: Of which aspect of the compensation? The Ocean County parcel?

SENATOR SMITH: The 67 acres.
MS. YEANY: Well, the County is under no obligation right now to have that property on its Recreation and Open Space inventory. I think some of the commenters may disagree with that, but we had determined it to be eligible as replacement at a prior point in time, completely unrelated to this transaction.

SENATOR SMITH: I have a logic problem, Judeth, and the logic problem is -- I’m not seeing the State getting anything. And by the way, it’s only $275,000 out of a multimillion dollar thing. But I don’t know how that can count.

MS. YEANY: Well, it’s not a State-owned beach; it’s Borough-owned public beach. So this is a local Green Acres diversion application, not a State application.

SENATOR SMITH: A question for you on that. Who owns-- You say it’s local. Is this in the high tide waters of the State flow category?

MS. YEANY: Well, we actually did not-- Mr. Shaughnessy asked me that question before the meeting--

SENATOR SMITH: Right.

MS. YEANY: --and we generally don’t--

SENATOR SMITH: Because I brought it up to him.

MS. YEANY: Okay. We generally don’t express an opinion, one way or the other, on tidelands issues. If this transaction goes through, it’s going to be the obligation of the Borough and the developer to make sure they have the tidelands rights they need.

SENATOR SMITH: Different issue.

MS. YEANY: Okay.
SENATOR SMITH: A totally different issue. If the State has rights in the property, that means that Ogden-Rooney kicks in. And the question is whether the Ogden-Rooney process was carried out.

MS. YEANY: The State does not own the beach. This is Borough-owned public beach, and--

SENATOR SMITH: Does the State have rights in it under the Tidelands Doctrine?

MS. YEANY: Not as far as I know.

SENATOR SMITH: Okay. It’s that much further back from the--

MS. YEANY: Well, I also don’t know -- and this is not a question that I remember discussing with anyone -- but as far as I know, Ogden-Rooney doesn’t apply to tidelands. I mean, you have the Tidelands Resource Council, which is a separate entity with jurisdiction over the tidelands. And Ogden-Rooney applies to all DEP property or State property acquired with Green Acres funds.

SENATOR SMITH: Well, I think it would apply to any property in which the State of New Jersey has rights.

MS. YEANY: My recollection is -- it’s all DEP property, and property owned by other agencies that was acquired with Green Acres funds. And I think the Council for Tidelands would probably say that the Tidelands Resource Council is not DEP for that purpose, but--

SENATOR SMITH: So let me ask our Counsel.

On the hypothetical -- if the State had rights in the property because it was in the mean high tide -- whatever, whatever; whatever the major words are -- would that kick Ogden-Rooney into effect?
MR. KOTLER: I’m not sure what you mean by *rights*. But the DEP--

SENATOR SMITH: Well, it’s public trust. We say that all the citizens of the State of New Jersey can walk the beach on the entire coastline, because the king -- the sovereign -- has rights in the property up to the mean high tide thing. I could be misstating that, but that’s-- I don’t have the *mean high tide* thing--

MR. KOTLER: Well, why wouldn’t that apply to any property? A county park--

SENATOR SMITH: No, no, no, it wouldn’t.

MR. KOTLER: All the citizens would have the rights to use that, but be--

SENATOR SMITH: Only with regard to shoreline.

MR. KOTLER: The Commission’s obligations, I believe, are derivative from what DEP has. DEP holds Ogden-Rooney hearings; that’s the first thing. It does apply, I believe -- because we have not finalized advice, as I referenced. That does not apply to local government units.

SENATOR SMITH: Right.

MR. KOTLER: And so that’s a determination that DEP makes, in the first instance.

SENATOR SMITH: I agree with that. I’m just asking the question, if the State -- the hypothetical question.

MR. KOTLER: Yes; I can’t answer that hypothetically.

SENATOR SMITH: If the State has rights -- public access rights in that property, does that make it subject to the process? And I understand you’re not quite ready to--
MR. KOTLER: Right.

SENATOR SMITH: --answer that.

MR. KOTLER: Right; so I can’t answer that.

MS. YEANY: Senator--

SENATOR SMITH: Yes, but-- I point that out because if it is true, then there’s a procedural problem.

MS. YEANY: Senator, I think Mr. Gilmore, who represents the Borough, can answer the question for this particular application. And then we can ask the AG’s Office the more general question for future transactions.

SENATOR SMITH: Okay.

GEORGE GILMORE, Esq.: I would advise the-- I’m sorry; George Gilmore, attorney for the Borough of Seaside Heights, from the firm of Gilmore and Monahan.

The Borough, number one, has the riparian for this property; but number two, the parcel that we’re proposing to transfer is upland; it was not within the high-water mark--

SENATOR SMITH: Okay.

MR. GILMORE: --as determined by our engineers.

SENATOR SMITH: That answers the questions.

MR. GILMORE: Thank you.

MR. SHAUGHNESSY: Thank you, Mr. Gilmore.

SENATOR SMITH: So tell us more.

MS. YEANY: Okay. (laughter)

So as you pointed out, this is certainly a unique transaction.

SENATOR SMITH: Very.
MS. YEANY: In the history of the time I’ve been dealing with these transactions, I don’t recall another situation where we were proposing to allow the disposal of public beach.

SENATOR SMITH: Right.

MS. YEANY: But, obviously, this is a proposal that the Borough, not the Department, put forward, subject to our evaluation, to see if it met our standards.

So as you saw in your summary, what we felt the determining factor here was -- that would distinguish it from other proposals where people might want to take a piece of the public beach -- was the aspect involving the historic carousel. Our definition of *recreational and conservation purposes* does include historic preservation as one of our objectives, and we are allowed to assist our funding partners in acquiring historic properties. Our funding staff doesn’t remember a time of being asked to purchase something as unique as this carousel, but we do believe it would be eligible for assistance.

So, you know, in the situation where you have this $2 million irreplaceable historic asset that was in danger of being lost to the public, and there was a move afoot to save it, we felt that the combination of that structure and the Boardwalk parcel that will house it in the future, in close proximity to the public beach; and this additional replacement land in Toms River to assure that you at least have a healthy replacement ratio, was sufficient to satisfy our requirements.

SENATOR SMITH: What is the assurance that the DEP has that if this process went through, that the carousel would be properly preserved for the public?
MS. YEANY: I don’t believe you have any assurance on the face of this transaction. It’s, strictly speaking, not a requirement of what they proposed to us. You can certainly express an opinion about that in your approval. I believe, from our conversations with the Borough, that there’s every intention of housing this for public access as soon as possible. But it’s also a matter of finding the resources to construct that structure to house it on the Boardwalk parcel. And again--

SENATOR SMITH: Nobody has any money. We’re under a 2 percent cap.

You know, we’re selling public beach on the hope that the carousel will be preserved. Maybe this should go back to Mr. Gilmore: What are the guarantees that it will be preserved?

MS. YEANY: Before he answers that question -- once it’s parkland, that Boardwalk parcel would be eligible for other sources of funding. There are local, Open Space tax, County -- other resources that could come to the table. I think the Borough was just wary of making a commitment to a specific timeframe.

SENATOR SMITH: Okay.

MR. GILMORE: To answer the Senator’s question, the whole genesis of this proposal was the historic carousel. I have the Mayor of Seaside Heights here, Mr. Anthony Vaz, who came in case you have any questions of him -- because he can represent on behalf of himself, as Mayor, but also on behalf of the governing body -- that it is every intention of the town to house this carousel and make it available for view and operation for the benefit of the public.
As I said, this all became a discussion when we learned that the owners of the carousel had put an ad with Guernsey’s for an auction of the carousel, either as a whole or in part. Now, the significance to the Borough of Seaside Heights-- And I have to confess, I’m born and raised in Seaside Heights; I rode that carousel from the time I was 5 years old.

SENATOR SMITH: My grandchildren as well.

MR. GILMORE: And it is a beautiful carousel. We used to have two in Seaside Heights; unfortunately, the one that was on the Bell-Freeman property was dismantled. The original horses were sold; plastic horses were put on it. But then that was destroyed in the fire that we suffered several years ago on the Boardwalk. There are only four wooden carousels left in the State of New Jersey, as of 2014. There may be less now; I don’t know.

This is an integral part of the history of Borough of Seaside Heights. We don’t want to lose it, so we have every intention of not only trying to save it from being sold, but also in housing it. In fact, we’ve already had a building designed showing the carousel on the main floor, and then there was going to be a second floor. So any visitors or residents of the town could have functions up there, either a wedding or some type of gathering. But the full intention of the Borough is to almost have this as a museum -- not only the carousel, but other artifacts that have been saved over the years for the Borough.

SENATOR SMITH: So would the Borough be willing to have that as a condition of the transaction?
MR. GILMORE: The DEP requires in their approval, I believe, that within two years we have to have the carousel housed. Now -- and they have a provision--

SENATOR SMITH: Is that true, Judeth?

MR. GILMORE: I’m sorry, Senator. They have a provision for a couple of extensions, if we can show good faith.

Our plan is -- and I’ve already spoken to the Ocean County Historical Society representative -- is to involve Ocean County Historical Society. Because we not only have to house it, but now we have to operate it as well. So we’re looking for partners; I know the County is very interested. But we also hope to go out to some corporate companies and say, “Here’s your opportunity.” I don’t know if you know, but Coca-Cola funds fireworks in Seaside Heights every year for the last 10 years, I think.

SENATOR SMITH: Right.

MR. GILMORE: We plan on approaching Coca-Cola, Pepsi Cola -- any corporate entity out there that would have an interest out there in saving this historic carousel. Not only saving it, but having it operational. We want people to be able to ride it.

SENATOR SMITH: And I live with the motto, “The road to hell is paved with good intentions.” Are you willing to live with it as an absolute condition of the transaction? In other words-- I can’t help myself, because I’ve been a cynic -- no, I became a cynic by being in government. But so many times there is the promise we’re going to do something, or we intend to do something, and then it doesn’t happen. And if the carousel is that important, the Borough should be willing to commit itself to see to it that it is housed, and not with extensions. You know what happens with
extensions -- we get three, two-year extensions; a new governing body; maybe a different party in power. Priorities change, and then it doesn’t happen. And the-- If you’re really about saving the carousel, that shouldn’t be that big of a leap. And by the way, we made it easier. We did Open Space this week; there’s now 5 percent in the Open Money that’s available for Historic Preservation, which should hopefully help as well. But I don’t think you can do this on a wing and a prayer. You have to say, “We’re going to really do it; we’re going to put the building up, we’re going to preserve the carousel.” Not, “We intend to,” all right?

MR. GILMORE: Senator, obviously I can’t commit the Borough myself. I would want to a second to talk to the Mayor.

SENATOR SMITH: Right.

MR. GILMORE: But to me, every indication that I have gotten from the Mayor and from the governing body is, “yes.”

SENATOR SMITH: Best of intentions; I got it.

MR. GILMORE: Let me quickly consult with the Mayor, and I’ll be around.

SENATOR SMITH: And then I have another question--

MR. GILMORE: Sure.

SENATOR SMITH: --before you consult with the Mayor.

What is the amount of the expansion of the Casino Pier worth?

What’s the capital construction cost?

MR. GILMORE: I believe the total investment that the Casino Pier owners are willing to make in regard to this project is $20 million to $25 million.
SENATOR SMITH: So let me throw an idea out there -- just to think about. We have, in New Jersey, laws that allow for very creative financing. And that law is the law that allows a municipality to declare in an area in need of redevelopment. And if you do that, you then are-- And by the way, a property that’s been severely damaged by Sandy -- you go right to the top of the list, in terms of criteria, all right? I think you would very easily be able to justify making this an area in need of redevelopment. If you do that, you now have the super powers; and the super powers are that you can, very dramatically, change the way in which the property is taxed so that you can do what’s called tax increment financing through a pilot -- payment in lieu of taxes -- agreement. So for example: This $20 million improvement could generate how much in taxes a year? Anybody have a guess?

EDWARD R. McGLYNN: (off mike) It depends on -- it’s 7 or 6.

SENATOR SMITH: Seven or six what?

MR. McGLYNN: Percent. (laughter) I didn’t mean that.

SENATOR SMITH: Oh.

MR. McGLYNN: (off mike) Sales tax.

SENATOR SMITH: I’m not talking about--

MR. McGLYNN: And that’s the question for the day.

(laughter)

SENATOR SMITH: Yes; that’s later on in the afternoon.

MR. McGLYNN: I know that.

MR. GILMORE: For the benefit of the Commission, though --

Ed McGlynn represents Casino Pier.
SENATOR SMITH: Yes, yes, yes.

MR. GILMORE: Okay.

SENATOR SMITH: A very prominent old friend, former -- I think he was prior to Secretary Shaughnessy to the Commission, right?

MR. SHAUGHNESSY: That’s correct.

SENATOR SMITH: Okay; and very well respected.

So back to the question. What’s the -- I don’t know what your tax rate is in Seaside Heights. If you had a $20 million ratable, if you did all the taxes -- local, school, county -- anybody have--

MR. GILMORE: Well, just for full disclosure, Senator -- I think part of the $20 million to $25 million improvement includes the value of the rides. I do not believe the rides are taxable under New Jersey law.

SENATOR SMITH: Okay. So how much is a real -- an actual ratable?

MR. McGLYNN: Excuse me, Senator.

(speaks off mike to Mr. Gilmore)

MR. GILMORE: We know that the value of the land that we would transfer to Casino Pier is $4.2 million. That’s what the appraisal said; that is what is stated in DEP’s synopsis.

SENATOR SMITH: Right.

MR. GILMORE: Mr. McGlynn has just informed me he thinks the actual cost of putting the pier in is somewhere in the neighborhood of $3 million to $4 million. So that value was taxable.

SENATOR SMITH: Okay; so what’s the tax revenues on $4 million in Seaside Heights?
MR. GILMORE: If I was the Assessor, I’d know.
We have the Administrator here, Christopher Vaz.
SENATOR SMITH: Oh, he’ll know the answer.
MR. GILMORE: Where did he go?
UNIDENTIFIED MEMBER OF AUDIENCE: (off mike) He’s going to punch it out.
MR. GILMORE: He’s working on it? Okay.
While he’s working on that, let me also inform the members of the Commission that Seaside Heights -- because of not only Sandy, but the subsequent economic downturn caused by Sandy -- our ratables have dropped $200 million. That’s 25 percent of our ratable base that has been lost. So while the primary concern is to save the carousel -- and it truly is -- a secondary benefit to the town is that we’re going to get some attractions in town that are going to draw visitors back to the Borough. We’ve seen a significant decline in visitors to the Borough because, a) we lost half the Casino Pier and, b) the pier that was on the other end was damaged by Sandy, but then totally burned down. So we have half of a pier left. And a lot of people want to come over and enjoy the rides for either their grandchildren, or the teenagers, or young adults.

SENATOR SMITH: Tell me, while he’s calculating the taxes -- the note said that there was an effort by the Casino Pier people to buy an adjacent property.

MR. GILMORE: I would defer to Mr. McGlynn; I think that’s the parcel on the north side. But everybody should be cognizant of the fact that the Borough owns a strip of land between the Casino Pier and that
other private owner. And I think that property is not even a half-acre; or roughly a half-acre, if I’m not mistaken.

SENATOR SMITH: So tell us about the attempts to buy that property.

MR. McGLYNN: Thank you, Senator Smith.

The property to the south is the subject, right now, of litigation -- an ongoing litigation -- through a proceeding that Seaside Heights did in an attempt to rezone that property. But we contacted the owner of that property and have had no less than three meetings with the owner of the property. We have been unable to get any indication from the owner as to what the valuation was, although at the last meeting the owner threw out a figure which was somewhere in the neighborhood of $20 million. But it was just not feasible to do what we plan on doing on that parcel of the property, that we plan on doing on this parcel of property.

SENATOR SMITH: Why?

MR. McGLYNN: Well, because it does not -- it’s not as large as the parcel that we are-- First off, there’s a parcel of property owned by the municipality that’s in between that parcel of property.

SENATOR SMITH: How big is that?

MR. GILMORE: That’s a small, pie-shaped portion; it’s not that large.

MR. McGLYNN: And I’m not sure we can get the litigation resolved as a result of doing it.

But be that as it may, the parcel of property that we are attempting to acquire now is large enough for us to install a roller coaster,
which has already been ordered, and a Ferris wheel, which has already been ordered.

SENATOR SMITH: Well, it sounds like a pretty risky order, if you don’t have this under control.

MR. McGlynn: Well, I understand that. But it was something that my clients decided they wanted to go ahead and try and, at least, order, at this point. It’s not been delivered, obviously, unless this transaction takes place. It is large enough for us to put the foundations in necessary to go on the platform -- underneath the platform that we’re planning on building on this parcel of property, if the State House Commission agrees to grants this to us.

I also would like to point out that -- remember, we lost a good portion of the pier in the storm. It is prohibitively expensive and, frankly, probably could not be replaced because of the cost of replacing the pier out into the ocean; nor could we do the foundations for the rides that we want to do out into the ocean. The land that we are transferring to the municipality -- where we believe the municipality is going to put the museum -- is valued at $2.13 million. And the carousel’s valuation is $2.3 million to $2.5 million.

So I hope that answers some of the questions that you had.

SENATOR SMITH: Well, it answers questions I haven’t asked -- but it’s okay.

Back to the tax revenues.

MR. GILMORE: Chris?

I believe it was $42,000, Senator.

SENATOR SMITH: Just the Borough’s end?
MR. GILMORE: Just the Borough.

SENATOR SMITH: Okay; so it would be more like--

MR. GILMORE: I’m saying just the Borough. Sorry, let me make sure I’m right on that.

(Mr. Gilmore confers off-mike with associate)

MR. GILMORE: It is $42,000; yes, okay.

SENATOR SMITH: To the Borough only -- not the school board.

UNIDENTIFIED MEMBER OF AUDIENCE: (off mike) No, no. That’s the total, sir. I’m sorry.

SENATOR SMITH: That’s the total for everything?

UNIDENTIFIED MEMBER OF AUDIENCE: That’s the total, based on the total (indiscernible).

SENATOR SMITH: Okay.

Well, anyway, back to the area in need of redevelopment.

If you also included the adjacent property in the area in need of redevelopment -- I have to assume it was also affected by Sandy -- you would also have the rights of condemnation, where you would be able to-- You or the named redeveloper could acquire the property at fair market value. In other words, it would be -- the value wouldn’t be some $20 million pie-in-the-sky number; it would be what the actual value of the property is, as determined by condemnation commissioners.

MR. GILMORE: And Senator, I had my associate confirm that the size of the privately owned parcel on the south side of the Casino Pier is only a half-acre.

SENATOR SMITH: A half-acre.
MR. GILMORE: Only a half-acre. So we’d still -- we’re proposing to transfer 1.37 acres, so we’d still need another 0.8 acres. And we would have to go back before DEP and ask for the right to divert that property.

SENATOR SMITH: Yes. Does this-- But is it on the beach?
MR. GILMORE: Yes.
SENATOR SMITH: That half-acre is on the beach?
MR. GILMORE: Yes, it is.
MR. McGLYNN: Yes.
SENATOR SMITH: Okay.
MR. GILMORE: In addition, Senator, I know there’s a large concern about losing any portion of the beach.
SENATOR SMITH: Yes.
MR. GILMORE: But I should advise the Commission that, a) we have approximately, somewhere -- and this is approximate -- about 23, 25 acres of beach property. We’re a mile-long municipality; there are only three parcels on the beach that are privately owned. So we have about that.

In regard to the Army Corps project that we’ve signed easements for, we’re going to gain another 22 acres. So I might be losing 1.37 acres; we’re going to be gaining 22 acres, in regard to the beach replenishment done by the Army Corps, as calculated by our engineers.

SENATOR SMITH: At least for a couple of years.
MR. GILMORE: True. (laughter)
SENATOR SMITH: Mother Nature is not always kind about these things.
Do you have local planning and zoning approvals for this?
MR. GILMORE: Yes, we do, I believe. They haven’t come in with the specific-- Yes; the answer is “yes.” We do not get to approve the rides; they get approved by DCA.

MR. McGLYNN: Correct.

SENATOR SMITH: Different jurisdiction. Zoning is in place for it, as well?

MR. GILMORE: It was in place before, and is in place; yes.

SENATOR SMITH: Okay.

All right; well, I’m sure we have more to hear.

MR. McGLYNN: Thank you.

MR. SHAUGHNESSY: Any other members have any questions?

Ms. Yeany.

MS. YEANY: Just to clarify a point the Senator asked about, before we got into the financial aspects.

If you look on the last page of the summary we submitted, we said that the commitment about building the pavilion to have as the carousel was not a requirement; it was a best efforts type of thing. So if you were to make that a condition, it would be a condition that the Commission is imposing.

SENATOR SMITH: Mr. Gilmore, have you talked to the Mayor to see if that’s a condition that the Borough could--

MR. GILMORE: Senator, I just asked my associate -- did I mention on the record that the Mayor agreed that, yes, we will do it within the three-year period?

SENATOR SMITH: Okay.
MR. SHAUGHNESSY: Fine; thank you, very much.
Any other members have any questions? (no response)
Does any member of the public--
Mr. Tittel, Mr. Moss.
MR. TITTEL: Thank you.
MR. SHAUGHNESSY: Please come up and identify yourself.
MR. TITTEL: Sure. Jeff Tittel, Director, New Jersey Sierra Club.

I just wanted to say that when you look at our coast and the ability for public access, we all know how limited and problematic it can be. We have, hopefully, legislation coming forward to help us get more public access.

A beachfront property like this, that’s sitting right on the beach, is irreplaceable. You know, Will Rogers said, “Land -- they just don’t make it anymore.” Beachfront access in a public beach -- we don’t have a lot of those. And 1.37 acres doesn’t sound like a lot, but on a good summer weekend or afternoon that piece of property can hold at least 1,000 to 2,000 bathers at any given time. And when you talk about with turnover -- 4,000, 5,000 people will easily use that property.

The reason I mention that is because the replacement property -- the 67 acres -- is mostly stream buffer and riparian corridor, cut off by a highway and a cloverleaf; that there is no parking nearby; there’s no way to get access to it. It’s just a shill or a sham to get at this important beachfront property. You can’t walk on that property a good part of the year without waders.
This was also part of an old scam; this is where they wanted to build the old mall to get the Turnpike extension down to Toms River. And this property has been owned by the County for a number of years; and it was originally purchased for a wetland mitigation bank for other projects. So this is not equal value; this is a joke. You cannot replace this kind of beachfront property and the public use of it.

The other concern that I have is that there is really no guarantee that this project will go forward in its current form. Who knows; we could end up with a carousel bar there or something else instead of the carousel. And that is a real concern.

And the final major issue is that this is an area that floods, goes underwater. We saw the old rollercoaster in the water. This is not exactly land that is-- You know, it’s irreplaceable for beach, but it’s not really a great place to be building. The Boardwalk in Seaside did not get elevated. The next major storm, this area will be damaged again, and this carousel will be going out to sea. It doesn’t make sense. We would be better off putting the carousel on the other side of the Boardwalk, not on a pier. You would be better off keeping this area open for public use. It would make a lot more sense, and much better for the people of New Jersey. This, I think, is a really bad deal for New Jersey. This is not a replacement property; this is not-- You cannot replace beachfront.

And I would also say that you should look at the new tidal maps, because this area, now, with sea level rise and storm surges -- the only reason why it’s dry is because of Army Corps pumping. So it makes no sense from many standpoints.

MR. SHAUGHNESSY: Thank you, Mr. Tittel.
Anyone else?

Mr. Moss.


My comments are slightly varied from Jeff’s. And in light of the previous testimony, I have a question. Do I understand correctly, now, that it is now a condition of approval of the diversion that the carousel be housed within three years in the designated property? It’s not on the pier, I understand; it is across the street from the Boardwalk. Is that, now, a condition?

SENATOR SMITH: Well, I think we have to put it before the Commission; but--

MR. MOSS: But is that--

SENATOR SMITH: I’m going to request it.

MR. MOSS: Okay, so that will be a motion or something.

SENATOR SMITH: Right.

MR. MOSS: And does that necessarily imply that the carousel itself is protected? Because what I saw in the State House Commission summary from the DEP Commissioner -- I did not see anything that required protection of the carousel itself, as opposed to the property where it’s supposed to be put. That we know is taken care of by the Recreation and Open Space inventory.

SENATOR SMITH: Are you referring to maintenance?

MR. MOSS: No; I didn’t see anything that-- The condition in the Commissioner’s summary is they have to take ownership. Ownership entails the right to dispose of. I didn’t see anything that would prevent
them from disposing of it. Suppose it’s too expensive to operate. Now, is that restriction on disposal of the carousel necessarily implied in this commitment to house it in the designated block and lot there within three years?

Judeth, do you--

MS. YEANY: The carousel is also already listed on the New Jersey Register of Historic Places. And a condition of our approval was that the Borough complete the process of getting it listed on the National Register, which I think had been partially done, but not completed.

Once the carousel passes from private ownership to municipal ownership, there are restrictions on listed properties. So right now, even though it’s listed on the New Jersey Register, with it being in private hands, there is less oversight by our Historic Preservation program than there is once it’s a municipally owned asset. So the minute they take ownership, if the municipality then wants to demolish it, do something substantial to it -- they have to go through New Jersey Register review process just like you would for replacing the roof on a historic building or something like that.

SENATOR SMITH: Right. Are you suggesting that they complete some historic designation process?

MS. YEANY: Right. That was a condition of our approval -- that we believe this is eligible for the National Register, and we wanted the Borough to finish that process, which would provide an additional level of protection.

SENATOR SMITH: It currently is a part of this; it’s already in there?
MS. YEANY: Yes. I don’t believe it was highlighted on the agenda, but it was part of our Commissioner’s approval.

MR. SHAUGHNESSY: Thank you for the clarification.

MR. MOSS: Am I on again?

I don’t have it with me; I don’t have a mobile device, and I only have it in digital form. This problem is going to come up again in my testimony. But I recall that the DEP Commissioner’s summary says that an application to both the New Jersey and the National Historic Register is required. And I don’t recall anything that says -- what if it’s turned down.

Oh, she has it.

MS. YEANY: Sorry; I had it open to that page before.

MR. MOSS: That’s better than what I can offer.

MS. YEANY: I’m sorry; Mr. Moss is correct about that -- New Jersey and National. But it was a requirement. And once it’s listed -- which we believe it would be eligible -- and it’s municipally owned, they can’t turn around and dispose of it or demolish it without higher-level approvals.

MR. MOSS: Thank you.

So that was my first point.

I disagree with the DEP’s approval of this application. The DEP Commissioner says that it comes under either a significant public benefit or an exceptional conservation value -- recreation or conservation value. It can’t come under significant public benefit under the regulations because a significant public benefit is the improved delivery of essential services to the public.

As far as an exceptional conservation value -- we’ll leave out recreation because, really, the DEP points out that this could cover historic
properties. The problem with that theory is, the regulations provide that the exceptional conservation value is derived from the amount of land that is used as compensation. The only way I could understand this requirement -- which I haven’t looked into before; this third one, exceptional conservation value -- an owner of Green Acres-encumbered land is allowed to sell it off in order to gain an unusual amount -- in terms of good acreage, a good amount of acreage and good quality land with conservation and/or recreation benefits -- an exceptional conservation and recreational benefits. They are getting the 60-odd acres up at Winding River, which I’ll address shortly. But that acreage does not do anything to protect the historic property; it’s unrelated. Therefore, the exceptional value is not being realized through the historic property.

Now, I say this should go back, and the DEP Commissioner should be required to make a determination that the Winding River property, by itself, constitutes an exceptional recreation or conservation value. This has not been done, that I see of in the Commissioner’s summary.

The other thing is -- the eligibility of the Toms River tract. I understand the DEP says they have previously approved it. This tract is on the Ocean County Master Plan, I believe, 2006; on a map that indicates its conservation and recreation value. That is one of the criteria listed in the regulations that would disqualify it. And again, not having a mobile device -- if anybody wants to go into details with me and doesn’t have the regulations here, we would have to continue that by e-mail, which I am very happy to do. And the rest of it has the same problem.
I was told by an employee of Ocean County that the Ocean County Natural Lands Trust paid for the appraisals for that specific Winding River parcel. Again, I don’t have the block and lot; but the one that’s listed as replacement land. Ocean County Natural Land Trust administers money from the Ocean County Open Space funds. And again, under our DEP regulations, that would disqualify this parcel. An appraisal is a required part of the sale process. So if any part of the sale is paid for by Open Space money, it is disqualified as a replacement parcel.

I was also told that it was placed under jurisdiction -- the engineering department specifically -- not to be developed, but to be held as mitigation land, as Jeff Tittel mentioned. Not anticipating detailed questions about this, I didn’t bring the name or even the title of the individual. I will be happy to supply that, by e-mail or phone, as early as this afternoon, if anyone wants that information.

And the last point is -- I take grave exception to the DEP’s resolution of the problem that neither of these replacement parcels is anywhere near reasonably equivalent to the beach that’s being disposed of. That’s in the regulations; the Commissioner’s summary admits as much. It says they’re really not the same; there’s nothing like a beach. However, the justification is that we have three parcels: We have the beach, we have the carousel parcel, and we have that big parcel up in Toms River. Each one is completely different from the others, yet the Commissioner says, “If we put A and B together” -- that would be the carousel parcel and the Toms River parcel -- just the fact that they’re both in the package somehow magically makes them equivalent -- reasonably equivalent to the beach. I simply don’t buy that, and I think the Commission should reject this application.
Thank you.

MR. SHAUGHNESSY: Thank you, Mr. Moss.

MR. MOSS: Questions?

MR. SHAUGHNESSY: Any--

MR. MOSS: Pardon. (laughter)

MR. SHAUGHNESSY: Any questions?

Anyone else from the public want to be heard?

I'll caution everyone -- the hour is growing late, so please do not repeat others’ comments. If you can confine yourself to a couple of minutes, please do.

Thank you.

MR. GILMORE: Thirty seconds.

I just want to let you know the carousel is being placed on the west side of the Boardwalk. It is going to be on the Boardwalk; it’s not on the pier that's going to be constructed, number one. Number two, I failed to mention that the National Carousel Association sent a letter to the Commission, but in that letter at the bottom you’ll see that they have already voted to give a grant to Seaside Heights to help plan the relocation and the mechanical maintenance of the carousel.

MR. SHAUGHNESSY: Thank you, Mr. Gilmore.

Ms. Yeany, anything further?

MS. YEANY: I just didn’t know if you wanted me to respond to any of Mr. Moss’ points. But I'll leave that up to the Commissioners.

MR. SHAUGHNESSY: Ever so briefly, please.

MS. YEANY: Well, I think the issues he has raised with respect to the Toms River parcel are in the nature of plans that Ocean
County may have had for the parcel at various times that didn’t come to fruition. I don’t know that the mere fact that appraisals may have been commissioned with Open Space money in anticipation of future designation would have been enough to cause us to require it to be listed. And I would categorize the mitigation plans for that parcel as being in the same category.

You know, I think we basically have a fundamental disagreement here about what an exceptional compensation is, because of this carousel piece of the package. You know, we consider that to be an exceptional recreational and conservation benefit. I think it’s something we’ll be debating for a while, no matter what the Commission does.

MR. SHAUGHNESSY: Thank you.

Any members have any further questions?

Yes, Commissioner Boornazian.

ASSISTANT COMM. RICHARD BOORNAZIAN: Good morning. I’m Rich Boornazian, Deputy -- or, I’m sorry, Assistant Commissioner for Natural and Historic Resources of DEP.

I have three points to make. The first is, the beach opportunity. As we all know, Casino Pier extended into the water and occupied a certain amount of beach. When this project is done, the Casino Pier portion -- the commercial portion will all be on the upland portions. So, in essence, you have equal amount of beach available to the public when the project is completed.

The second is, this is a complex project in that it also involves the replenishment of our beaches and the U.S. Army Corps replenishment of the beach. This will be an engineered beach when we are finished, and the Army Corps is obligated every five years -- I think it’s five years, it could
be three to five years -- to redo the beach and replenish the beach. So in fact the 22-acre number that was spoken about has to be brought back under the terms of our agreement with the Army Corps; so, in fact, the public will, in fact, have much more beach available.

The last point: In my position I am also the State Deputy Historic Preservation Officer, and I am the one who would make the final signature -- myself or the Commissioner -- to recommend the carousel to be listed as a Natural Historic piece. In my tenure as Assistant Commissioner, we have never been turned down once we made a recommendation to the Feds. I fully expect to sign the same agreement recommending this to be put on the National list. I don’t see any reason that it wouldn’t be approved by the Federal government.

Thanks.

MR. SHAUGHNESSY: Thank you, sir.

And yes, sir -- please be brief. Thank you.

TIM DILLINGHAM: Good morning, members of the Commission. My name is Tim Dillingham. I’m the Executive Director of a conservation organization called the American Littoral Society -- littoral means of or pertaining to the shore. So my organization’s work is focused on beaches on the coastline of New Jersey.

We’re here in opposition to this recommended transfer. I think as Senator Smith said at the very beginning of this -- the idea that we should be selling off beachfront property in New Jersey is a bit crazy, given that there’s not a lot of it.

I am sympathetic to the Borough’s desire to preserve the carousel, but I think if you read this in a slightly different way, this action --
its outcome is to facilitate the development of the Casino Pier and to create opportunity for them to avoid costs that might be involved in alternative development designs. They say, in the report, the idea that if they had to extend the pier back into the ocean to put the rides in, that it would be $12 million to $14 million. And as the DEP acknowledges in their report, economic development, in itself, is not a sufficient justification for the diversion of public land.

They also recognize that beachfront property is fundamentally irreplaceable. And so in the compensation package here, the lost values of that site -- the access to the water, the ability of the public to use it for recreation -- are not being replaced.

So we don’t believe that this meets the standards in the requirements about equal or reasonably equivalent replacements. We believe that the diversion is fundamentally to serve private interests and not the public interest. And that’s also not allowed.

Lastly, on the compensation part of this -- you know, this seems to be something that comes up, time and time again, in Ocean County -- that their lands, which are held by the County, that their regional purpose was to hold them for conservation purpose. And now they’re being offered again. So Senator Smith, you had mentioned this as well in the very beginning -- that there’s a bit of double dipping going on here; that these are lands which are already in a conservation status. As Mr. Moss said, the intent was to buy them to hold them for mitigation for an earlier application. The public is not gaining any additional conservation through the way this mitigation project is structured. So we believe that also does
not meet the requirements of the diversion, and we would urge you to vote “no” on it.

Thank you.

MR. SHAUGHNESSY: Thank you, sir.

Okay; any other questions from the members, or comments?

SENATOR SMITH: You have more public.

MR. SHAUGHNESSY: Another public comment.

Please.

MS. HANSEN: Thank you, Commissioners.

Again, my name is Amy Hansen; I’m with New Jersey Conservation Foundation.

And I echo the comments of my colleagues in opposition to this proposal. I’ve heard time and time again, throughout this hearing, that this is a very unique idea -- to give away public beach. And I think it should be opposed.

Our public beach is the very heart and soul of the New Jersey shore; and it must be protected. And certainly, the preservation of the historic carousel is a laudable goal, but it is a completely separate issue from giving away public beach. The two must be separated. It sounds like there’s plenty of support for preservation of the historic carousel, and there’s even funding and grants available that can be put toward that goal. But the public beach should not be given away to a private developer.

As we’ve heard already, the replacement suggested for the public beach land is inadequate, and we urge you all to reject this proposal.

Thank you so much.

MR. SHAUGHNESSY: Yes, Assemblyman Rible.
ASSEMBLYMAN RIBLE: Just a very brief comment.

MR. SHAUGHNESSY: Sure.

ASSEMBLYMAN RIBLE: I’m very confident in DEP’s report on this transaction. And I think that as someone who has represented a Superstorm Sandy district, one thing that’s getting lost here is -- I think it was in the opening testimony -- was the loss of revenue, loss of tax ratables. It’s constantly happening, and if we, as a State, don’t try to step in and try to make adjustments to allow these towns to recover-- Not too long ago we debated Atlantic City; Seaside Heights could be the next Atlantic City if we don’t come in and try to find ways to rescue these towns to let them get the revenue back, get the attractions going, and get people on their boardwalks again. Unless you lived it, and worked through Superstorm Sandy, it’s very easy to say why you shouldn’t do it. We have to find ways to put CPR back to these towns.

Thank you.

MR. SHAUGHNESSY: Thank you, Assemblyman.

Okay, does anyone have any further comments or questions?

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Is there a motion?

SENATOR SMITH: Well--

MR. SHAUGHNESSY: Okay.

SENATOR SMITH: By way of discussion of a possible motion. I think the testimony brought up two things that we should have in that motion: one is that the Borough is -- it’s a requirement of the approval, if an approval is granted, has to have the carousel housed within three years. I don’t think it can be best intentions; it has to be a condition.
And then secondly, Ms. Yeany mentioned -- and I think the Deputy Commissioner, or Assistant Commissioner--

ASSISTANT COMMISSIONER BOORNAZIAN: (off mike)

Assistant Commissioner.

SENATOR SMITH: --he wasn’t quite sure himself (laughter) -- mentioned that he didn’t see any way that it wasn’t going to get the historic designation. But I think that needs to be a condition as well, all right?

Now, that being said, it’s easy for me to say condition. I’m not planning to vote in favor of this; I’m going to abstain on it. I’m going to abstain, and I’m not going to vote “no’; I’m going to abstain, and I’m going to tell you why I’m doing this dance. I have eight rug rats who are going to be in my beach house in Lavallette this weekend. And we’re going to down to the Boardwalk and we’re going to enjoy all the rides and the cotton candy and the whole thing. And Casino Pier has been there for a long time and it provides some very nice things for Shore tourism. And like so many things that have an environmental aspect, this is a tough, tough issue. Selling beach property or conveying beach property should be like the very last thing in the world that we should be involved in, all right? God is not making any more beach. One of the concerns here, unstated -- is this is going to be a precedent for other Shore communities? And by the way, it could be. You know, this becomes a very creative way to do financing.

So I’m a lot concerned about it; but I can’t beat up Seaside Heights for trying to come back, and I can’t beat up the Casino Pier for wanting to provide better services and make more money, of course, as well. And I have eight rug rats who are going to enjoy, ultimately, probably, that roller coaster when it’s done.
So it’s a tough call, you know, on the merits. Bleeding green, I have a hard time saying “yes” to losing beach. That being said, let me try and improve the motion.

MR. KOTLER: Senator--

SENATOR SMITH: Yes?

MR. KOTLER: May I ask for a clarification on both of these conditions? You say carousel housed within three years. Is that specifically talking about being housed on that property on the Boardwalk?

SENATOR SMITH: I think that’s what the Borough is saying they’re going to do. Not on the Casino Pier--

MR. KOTLER: Right.

SENATOR SMITH: --but on an adjacent piece, a little bit--

MR. GILMORE: On a parcel we’re getting back from Casino Pier. That is the intention -- to put it on that property. Unless there was some reason that came up we couldn’t; then we would locate it someplace else. But that’s a perfect place, because people are on the Boardwalk.

SENATOR SMITH: So why don’t we say “located on the Boardwalk.”

MR. GILMORE: Very good.

SENATOR SMITH: That way -- so there has to be a facility housing the carousel within three years on the Boardwalk someplace in Seaside Heights.

And then, secondly, they have to complete the historic designation.

MR. KOTLER: That is, for clarification, the Federal designation?
SENATOR SMITH: I believe that’s what we’re talking about; the Federal.

MR. GILMORE: It’s already on the State.

SENATOR SMITH: The State; then it has to be on the State and Federal, okay?

So I would suggest that to whoever is making the motion to approve -- if you would consider that. And I’m very ambivalent about it, except that I think it’s a very bad precedent to set for the future. But I do understand economic development, Sandy, the whole thing.

So it’s a dance; you see my dancing out here.

ASSEMBLYMAN RIBLE: You dance very well, Senator.

SENATOR SMITH: Thank you.

ASSEMBLYMAN RIBLE: So with the Senator’s recommendations, I’ll move the motion.

MR. SHAUGHNESSY: Motion.

Do I have a second?

MS. MELICK: Second.

MR. SHAUGHNESSY: Motion and second.

I’ll call the roll.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale is in the affirmative. Senator Smith abstains. And Assemblyman Rible made the motion in the affirmative, right?

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay; that matter is approved. Okay; on to the last DEP item.

SENATOR SMITH: Would you record me in the affirmative on the rest? I’m getting some text messages that they are going to throw me out of the Democratic caucus if I don’t get up there.

MR. KOTLER: Including the pension portion?

SENATOR SMITH: Yes.

ASSEMBLYMAN RIBLE: We’ll take you on our side, Senator; we’ll take you on our side.

SENATOR SMITH: No problem.

MR. KOTLER: Senator--

MR. SHAUGHNESSY: Senator--

MR. KOTLER: The Chair reminds me -- if you depart, then we lose the quorum.

SENATOR SMITH: Even if I’m in the State House?

MR. SHAUGHNESSY: Right; we need five members in the room.

SENATOR SMITH: All right, I will sit here.

MR. KOTLER: Okay.

MS. MELICK: Thank you.
MR. SHAUGHNESSY: So the last DEP matter -- No. 27, Shark River Park, as indicated in the members’ agenda -- the public agenda -- DEP requests approval to allow the diversion of a total of 0.401+/- acres of parkland within Shark River Park, in connection with Monmouth County’s reconstruction of Monmouth County Bridge W-38 spanning the Shark River Brook.

To compensate, the County proposes to dedicate, for recreation/conservation purposes, a 0.401 acre parcel of land adjacent to portions of Shark River Park in the Borough of Tinton Falls.

Does any member have a question or comment about that matter? (no response)

Hearing none, any member of the public want to be heard? (no response)

No; may I have a motion?

SENATOR SMITH: Move it.

MR. SHAUGHNESSY: Second?

MS. MELICK: Second.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale. (no response)
Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: And Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: Okay, that matter is approved.

Last -- now on to Transportation matters.

The first matter under the DOT is No. 28, Route 10, Section 4, Parcel VX4B, Block 100, adjacent to Lot 18, Township of Livingston, Essex County.

DOT requests approval to sell the property identified as Route 10, having an area of 1,763 square feet. It will be a direct sale to the adjacent property owner, KRG Livingston Center, LLC, for assemblage to its commercial property for the purchase price of $23,000, the appraised value.

Any members want to be heard on that matter? (no response)

Any member of the public want to be heard? (no response)

May I have a motion?

ASSEMBLYMAN RIBLE: So moved.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale in the affirmative.
Senator Smith.
SENATOR SMITH: Yes.
MR. SHAUGHNESSY: Assemblyman Rible.
ASSEMBLYMAN RIBLE: Yes.
MR. SHAUGHNESSY: That matter is approved.
Next is No. 29, Route 287, Section 21, Parcel VX39B, Block 2101, adjacent to Lot 8, Borough of Oakland, Bergen County.

DOT is requesting approval to sell the property, having an area of about 1,578 square feet. The property is being proposed to be sold as a direct sale to the adjacent property owner, SAR Properties, LLC, for assemblage to its property for the purchase price of $10,000, which is the appraised value.

Any member want to be heard? (no response)
Any member of the public want to be heard? (no response)
May I have a motion?
SENATOR SMITH: So moved.
MR. SHAUGHNESSY: A second?
ASSEMBLYMAN RIBLE: Second.
MR. SHAUGHNESSY: Motion and second.
Deputy Chief Counsel Melick.
MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved.

On to No. 30 on the agenda. It’s Route 287, Section 19, Parcel VX15B2, Block 24.02, adjacent to Lot 31.02, Township of Montville, Morris County.

DOT is requesting approval to sell the property. The parcel contains an area of approximately 1,300 square feet. The property is an irregular-shaped lot that is adjacent to the requestor’s property of Block 24.02, Lot 31.02, in Montville Township, County of Morris. The requestors -- the only adjoining owners, Giuseppe and Teresa Guidice -- have expressed an interest to acquire the property for assemblage to their adjacent residential property, to allow them to take ownership of the property where part of their garage was built.

The property will be sold for $3,150, which is the appraised value.

Any member have any questions or comments? (no response)

Any member of the public want to be heard? (no response)

May I have a motion, please?

MS. MELICK: Motion.

MR. SHAUGHNESSY: Second?
SENATOR SMITH: Second.

MR. SHAUGHNESSY: Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: I appreciate that; that matter is approved.

No. 31: Route 287, Section 10, Parcel VDA122B and VDA123C, Block 2902, adjacent to Lots 4 and 5, Hanover Township, Morris County.

DOT here requests approval to sell the denial of access rights, identified as Route 287, Section 10. The property will be sold as a direct sale to the adjacent property owner, Jefferson Route Ten Associates, LLC, Block 2902, Lot 5; and Jefferson Route Ten Associates, LLC, who is the assignee of the contract purchaser for Block 2902, Lot 4.

The recommended sale price is $260,000, which is the appraised value.

Any member want to be heard? (no response)
Any public member want to be heard? (no response)

Hearing none, may I have a motion?

SENATOR SMITH: So moved.

MR. SHAUGHNESSY: Second?

MS. MELICK: Second.

MR. SHAUGHNESSY: Okay.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is unanimously approved.

No. 32: Route 70, Section 3, part of Parcel R27, Block 1303, adjacent to Lot 4, Medford, Burlington County.

DOT here requests approval to lease the property, identified as part of parcel R27 of the Route 70, Section 3 project, having an area of about 27,500 square feet, in Medford, Burlington County.

The proposed property is to be leased to the adjacent property owner, Somerset-Medford Properties, LLC, for parking and signage for its
adjacent commercial property. The proposed lease is month-to-month for $743, inclusive of the municipal services, which is the appraised value, and will increase according to the rent schedule which will be part of the lease.

Any members have any comment on this? (no response)
Any members of the public want to be heard? (no response)
May I then have a motion, please?

SENATOR SMITH: So moved.
MR. SHAUGHNESSY: Motion.

Second?

MS. MELICK: Second.

MR. SHAUGHNESSY: Motion and second.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale has been marked in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

MR. SHAUGHNESSY: That matter is approved as well.

That includes all of the Transportation requests.
Okay; finally, at this juncture, may we have a motion to adjourn as the State House Commission and convene as the Judicial Retirement System Board?

Motion?

ASSEMBLYMAN RIBLE: Motion.

MR. SHAUGHNESSY: Second?

MS. MELICK: Second.

MR. SHAUGHNESSY: All in favor? (affirmative responses)

Okay, we’re now sitting as the Judicial Retirement System Board.

First of all, I need approval of the minutes of the meeting held on March 14.

May I have a motion?

ASSEMBLYMAN RIBLE: So moved.

MR. SHAUGHNESSY: Second?

SENATOR SMITH: Second.

MR. SHAUGHNESSY: All in favor? (affirmative responses)

Any opposed, any abstentions?

ASSOCIATE DIRECTOR STEVENS: Abstain.

MR. SHAUGHNESSY: Next I need a confirmation of the two Confirmations of Death Claims, Retirements and Survivor Benefits.

May I have a motion?

MS. MELICK: So moved.

MR. SHAUGHNESSY: Second?

ASSEMBLYMAN RIBLE: Second.

MR. SHAUGHNESSY: I’ll call the roll on that.
Deputy Chief Counsel Melick.
MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.
MR. SHAUGHNESSY: Senator Cardinale has been marked in the affirmative.

Senator Smith.
SENATOR SMITH: Yes.
MR. SHAUGHNESSY: Assemblyman Rible.
ASSEMBLYMAN RIBLE: Yes.
MR. SHAUGHNESSY: That is approved.

Do I have a motion on that?
SENATOR SMITH: So moved.
MR. SHAUGHNESSY: Second?
MS. MELICK: Second.
MR. SHAUGHNESSY: Deputy Chief Counsel Melick.
MS. MELICK: Yes.
MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.
MR. SHAUGHNESSY: Associate Director Stevens.
ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale is in the affirmative. Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.

ASSEMBLYMAN RIBLE: Yes.

That matter is approved.

Finally, we have the receipt of the Annual Report of the Actuary, as of July 1, 2015, presented by Buck Consultants.

I know Pensions is here; we also have a member from Buck Consultants here.

Based upon the lateness of the hour, is there anything that can be succinctly said with regard to No. 4, under the Judicial Retirement System?

SENATOR SMITH: Yes, a quick question: How are we doing? (laughter) How is the pension fund doing, in a nutshell?

MR. SHAUGHNESSY: Please introduce yourself; thank you.

JOHN MEGARIOTIS: John Megariotis, the Deputy Director, Division of Pensions and Benefits.

And with me is Aaron Shapiro, from Buck Consultants, our lead on the actuarial contract.

MR. SHAUGHNESSY: Thank you, Mr. Megariotis.

AARON SHAPIRO: Hi, good morning. I am Aaron Shapiro from Buck Consultants. I’m the actuary for the pension fund.

The fund’s status of the plan, as of 2015, has gone down from the prior year. And as of right now, it’s about 40.5 percent funded. On an
actuarial value of assets basis and on a market value basis -- that’s the true assets in the plan -- it’s about 37.5 percent funded.

SENATOR SMITH: Sounds pretty horrible -- or not. Am I missing something?

MR. SHAPIRO: The plan is not well funded.

SENATOR SMITH: Why is it that, on page 3, you have “total accrued liabilities is equal to the total assets.” If we’re only at 40 percent funding, shouldn’t the total of accrued liabilities be much bigger?

MR. SHAPIRO: The total assets shown on page 3 include the unfunded accrued liability; and that is shown as $358.5 million as of July 1, 2015. So that $602 million is the total assets -- is reflecting the fact that a portion of that is not actually funded yet; and then the total liability. It’s a balance sheet.

SENATOR SMITH: Right; I got that. But why wouldn’t the total accrued liabilities be bigger?

MR. SHAPIRO: The total accrued liabilities -- $602 million -- that’s how much money is owed as of right now for benefits that have been earned.

SENATOR SMITH: Oh, I see.

MR. SHAPIRO: And then, of that we have this $243.8 million in the bank, on actuarial value of asset basis. And $358.5 million is the unfunded portion, or money that we do not have -- the plan does not have.

SENATOR SMITH: So I’m looking at 2014 compared to 2015. It looks like our unfunded accrued liability was $374 million; and now we’re down to $358 million. So theoretically, we’re $16 million less in unfunded accrued liability.
So are we going, at least, in the right direction?

MR. SHAPIRO: There was an Experian study conducted over the past year that was reflected in this valuation, resulting in a decrease in liability of about $46 million -- of $46.4 million, which was a result of decrease in liability as a result of the Experian study and changes in the actuarial assumptions. So that’s the primary reason for the decrease; that would explain the decrease in the unfunded liability.

Offsetting that was asset loss and funding being less than the actuarial recommended contribution.

SENATOR SMITH: So how do we get right? How do we get in better shape? What do we need to do?

MR. SHAPIRO: Well, there are two ways for money to get into the plan: You either earn it in the market, or the money is put into the plan to pay for benefits that have been earned. I think a contribution schedule -- a sustainable contribution schedule needs to be maintained and followed. And, over time, the path can be developed that we get to a better place. Relying solely on investment return is not likely to produce a result that will position the plan for future well-being and health.

SENATOR SMITH: As the Division of Pensions and Benefits, that we are -- of the Judicial Retirement System -- we don’t have the authority to require higher contributions, do we?

MS. MELICK: Statutory--

SENATOR SMITH: What’s that statute?

MS. MELICK: I believe the Judicial Retirement System -- their contribution level was significantly increased in Chapter 78.
MR. MEGARIOTIS: The member contribution was significantly increased. The employer contribution is statutory, then subject to the Appropriations Act and various other activities that have occurred through the legal system.

MR. SHAUGHNESSY: Thank you, Mr. Megariotis.

SENATOR SMITH: Okay, thank you.

MR. SHAUGHNESSY: Okay; any other questions?

ASSEMBLYMAN RIBLE: No.

MR. SHAUGHNESSY: Okay; no.

So at this point, I just need a motion to receive the Annual--

SENATOR SMITH: So moved.

ASSEMBLYMAN RIBLE: Second.

MR. SHAUGHNESSY: Second; okay.

I'll call the roll.

Deputy Chief Counsel Melick.

MS. MELICK: Yes.

MR. SHAUGHNESSY: Assistant State Treasurer Schermerhorn.

ASSISTANT STATE TREASURER SCHERMERHORN: Yes.

MR. SHAUGHNESSY: Associate Director Stevens.

ASSOCIATE DIRECTOR STEVENS: Yes.

MR. SHAUGHNESSY: Senator Cardinale marked in the affirmative.

Senator Smith.

SENATOR SMITH: Yes.

MR. SHAUGHNESSY: Assemblyman Rible.
ASSEMBLYMAN RIBLE: Yes.
MR. MEGARIOTIS: Thank you.
MR. SHAUGHNESSY: Okay; may I have a motion to return to sit as the State House Commission?
SENATOR SMITH: So moved.
MR. SHAUGHNESSY: Second
MS. MELICK: Second.
MR. SHAUGHNESSY: All in favor? (affirmative responses)
Any further business? (no response)
If not, may I have a motion to adjourn?
ASSEMBLYMAN RIBLE: So moved.
SENATOR SMITH: Second. We’re not getting any legal advice today?
MR. SHAUGHNESSY: No, that was confirmed earlier today, sir.
SENATOR SMITH: Okay.
MR. SHAUGHNESSY: And thank you everyone for your time. I know it’s a busy time of year, and we appreciate it.
Motion to adjourn.
ASSISTANT STATE TREASURER SCHERMERHORN: Motion.
MR. SHAUGHNESSY: Second?
MS. MELICK: Second.
MR. SHAUGHNESSY: All in favor? (affirmative responses)
Thank you so much.

(MEETING CONCLUDED)
comments are as to numbers shown:

2. Do not see why state taxpayers should continually make state universities richer when they already get so much tax dollars. its time to bring them more in line. they are all into moneygrubbing and not offering students tuition at reasonable rates, but paying presidents excessive payscalesw. i do nt think this house should be sold to stockton for any reason, but if it is sold the selling price should be $440,000. i see no reason to give them deals on the backs of taxpayers.

3. deny sale to camden. i oppose this sale

4. ok if all monies from this rental goes to nj treasury, and not to the nj dep beacause it is overspending at a great rate ruining the open space we saved and they manage.

5. do not sell at such a low price. sell it the general public but at a reasonable price. appraisals given to this state hous ecomission are always too low. the public will pay more than this. see no reason to scam taxpayers here.

6 through 11 o not sell at such a low price. sell it the general public but at a reasonable price. appraisals given to this state hous ecomission are always too low. the public will pay more than this. see no reason to scam taxpayers here.

12. the one should sold at open auction. monies above $490,000 can be obtained and the monies should go to nj treasury. i see no reason to sell to morrisotwn.

13. ok

14 monies to go to nj tresury

15. ok

16. i oppose this land use for roads. it is time to keep all natural land in its natural state. this site is huge and certainly any roads that need to be built can be built on morris county's own premises.

17. i oppose this partnership with this non profit. its time for taxpayers to stp being scammed to let non profits get rich at our expense. we have too much of this making ourselves poor so that the nj div fish & wildlife killing agency can make claquers for themselves. that is what they do. they use taxpayer dollars to make their special pals beholden to them and the gbeenral taxpayers get ripped off with this claque arrangements. this should not be. let non profits make their own way with donations, not with hanging on to any taxpayrs with state benefits at the expsne of state taxpayers.nj div fish & wildlife killing is an evil agency that shuts out the voice of the general public of this state and works only for hunter wildlife killers to the detriment of all of the rest of us 9 million peopleoe.

18. any monies through leasing through this govt agency should go directly to the general treasury and not to the nj div fish & wildlife killing agency. and the fact is this land may be open space that should be saved for wildlife and tres to grow in rather than usa administrative uses. i am very much opposed to these shenanigans of
the nj div fish & wildlife killing agency. i find their actions sneakly and surreptitious and anti environment to the maxum.

19. totally opposed to farm leases on open space that was saved by the general public for trees and wildlife to live on. the farmers who go on these leases kill the wildlife that should have this land for their home. the wildlife has been displaced from other plots for builder's and developes and the people of this state taxerd themselves on 3 levels to provide open space. THAT OPEN SPACE NEEDS TO BE PRESERVED.

FARMERS CAN LEASE FARMLAND FROM OTHER FARMERS AND THROUGH THE NJ DEPT OF AGRIBUSINESS, THEY DO NOT NEED TO BE PLACED ON WILDLIFE MANAGEMENT AREAS. THE NJ PUBLIC IS BEING SCAMMED WITH THIS SNEAKINESS OF THE NJ DIV FISH & WILDLIFE KILLING AGENCY. IT IS A LIE TO SAY THERE HAS BEEN =NO PUBLIC CONCERN ON THIS ISSUE. I HAVE WRITINGS TO THEM AND PUBLIC PRONOUNCEMENTS AGAINST THIS POLICY HAVE BEEN ISSUED TO THIS DIVISION.

20. I OPPOSE LEASING LAND AT SPRUCE RUN WHICH WAS BOUGHT WITH OPEN SPACE MONIES AND TAX DOLLARS FOR AGRIBUSINESS TO PAY CHEAP CHEAP CHEAP RATES TO FARM ON. FARMERS CAN RENT LAND ON FARMLAND. THIS IS RECREATATION AND NATURE LAND. WE ARE LETTING OUR LAND WE SAVED FOR NATURE BE GOBBLED UP BY THIS EVIL NJDFGW WHICH WANTS TO MAKE PALS WITH AGRIBUSINESS AND RANTE OUR LAND BELONGING TO ALL TAXPAYERS IN NJ TO AGRIBUSINESS FOR THEIR OWN BENEFIT IN MAKING CLAQUES WHO SUPPORT THEM.THIS IS A HORRIBLE DEAL FOR THE PEOPLE OF NJ AND IS ANTI ENVIROMNENTAL.

I SUPPORT LAND FOR NATURE AND WILDLIFE. WE HAVE LITTLE ENOUGH OF THAT LEFT IN NJ. NJDFGW HAS PRINTED A LIE WHEN THEY SAY THERE IS NO PUBLIC CONCERN. I HAVE PERSONELLY MADE WRITINGS AGAINST THIS ISSUE AND PUBLIC HEARINGS IN NJDFGW MEETINGS HAVE BEEN VOICED AGAINST THESE ACTIONS. THIS STATE AGENCY TELLS LIES.

21. I OPPOSE LEASING LAND AT BRENDAN BYNE STATE FOREST WHICH IS AGAIN AN AGRIBUSINESS LEASE FOR THE REASONS SET FORTH FULLY IN 19 AND 20.

22. I OPPOSE LEASING THIS LAND AT DELAWARE CANAL FOR THE SAME RASONS PREVIOUSLY SET FORTH. THEY ARE CHEAP LEASES. NONE OF THIS LEASING MONEY SHOULD BE GOING TO THIS EVIL NJDFGW, WHICH LIIES TO THE PEOPLE OF NJ.

23. THE TAXPAYERS OF THIS STATE GET NO ABATEMENT FROM THEIR PROPERTY TAXES. THERE SHOULD BE NONE FOR THIS MARINA OPERATORS. IF HE CANT MAKE MONEY, END THE LEASE AND LEASE TO A NEW OWNER AT A HIGHER RENT. SEE NO REASON TO CONTINUE THIS LEASE WHICH LOSES MONEY FOR THIS STATE'S TAXPAYERS.

24. OK

25. OK

26. I OPPOSE THIS PLAN. SEE NO REASON FOR THIS STATES TAXPAYERS TO START OWNING A CAROUSEL. ITS TIME FOR THIS STATE TO OWN ROADS, BRIDGES, SEWER SYSTEMS AND NECESSITIES, NOT HORSE RACING PARKS OR CAROUSELS OR AMUSEMENT PARKS. WE DONT NEED TO GET INTO THESE BUSINESSES BECAUSE THIS STATE HAS PROVEN IT LOSES MONEY AT EVERYTHING IT DOES. NOTHING WORKS RIGHT UNDER STATE OWNERSHIP. DENY THIS ACTION.

27. OK
28. SELLING PRICE IS TOO LOW AND NEEDS TO BE INCREASED BY ONE THOUSAND PER CENT. ALL MONIES RECEIVED DIRECTLY TO NJ TREASURY.

29. SALE PRICE IS TOO LOW AND NEEDS TO BE INCREASED ONE THOUSAND PERCENT WITH ALL RECEIPTS TO NJ TREASURY, NOT TO ANY STATE AGENCY.

30 OK

31. BELIEVE THE DESCRIPTION OF THIS PROPERTY IS NOT SUBSTANTIAL TO MAKE A DETERMINATION. MORE INFORMATION SHOULD BE GIVEN ON MEASUREMENTS OF THE PROPERTY. SEEMS LIKE A CLOUDY DESCRIPTION OF THE PROPERTY. SELLING PRICE SEEMS TOO LOW. WHY IS INFORMATION TO THE PUBLIC SO SKETCHY?

32. NJ DOT GIVES SKETCHY INFORMATION ON THIS PROJECT TOO. ASK FOR MORE INFORMATION ON DIMENSIONS, WHAT IS NEXT DOOR, FURTHER USE, ETC. TAXPAYERS BELIEVE NJDOT SEEMS SKETCHY IN PROVIDING INFORMATION ON LAND THAT BELONGS TO 9 MILLION CITIZENS IN THIS STATE.

PLEASE MAKE SURE ALL MEMBERS HAVE ACCESS TO THESE COMMENTS ON WHAT IS BEING PLANNED FOR LAND BELONGING TO NJ CITIZENS.

B. SACHAU