

STATE HOUSE COMMISSION
PROPOSED MEETING AGENDA

~~ June 16, 2014 - 9:00 AM ~~

Committee Room 15, Fourth Floor
State House Annex, Trenton, New Jersey

CALL TO ORDER:

- ~ Amy E. Melick, Special Counsel, Governor's Office
(on behalf of Governor Chris Christie)
 - ~ Steven Petrecca, Assistant State Treasurer
(on behalf of State Treasurer Andrew P. Sidamon-Eristoff)
 - ~ Charlene M. Holzbaur, Director, Office of Management & Budget
 - ~ Senator Gerald Cardinale
 - ~ Senator Bob Smith
 - ~ Assemblyman Paul D. Moriarty
 - ~ Assemblyman Christopher J. Brown
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OLD BUSINESS:

1. Approval of the March 27, 2014 State House Commission Meeting (SHC) Minutes -- The verbatim record of the March 27, 2014 SHC meeting will serve as the official minutes.
2. RPR 07-14A through 07-17D, East Jersey Prison, Block 908, Part of Lot 10, Woodbridge Township, Middlesex County

Requesting Party: The NJ Department of the Treasury, on behalf of the Department of Corrections, requests approval to sell directly to Woodbridge Township 15.5 +/- acres of land and improvements for a restricted use located at the East Jersey State Prison.

Terms: This sale is authorized by P.L. 2013, c. 198 ("Act") approved on January 17, 2014 which requires that the sale and conveyance be for a nominal value and be executed subject to a restricted use in accordance with the terms and conditions to be approved by the State House Commission. The Township has proposed a developable site that will contain up to 100 apartments and a recreational use that would include an indoor soccer complex. The Township shall allocate a minimum of 10% and a maximum of 25% of the housing units to be set aside for individuals with intellectual and developmental disabilities who are referred by the Department of Human Services, Division of Developmental Disabilities (DDD). It is anticipated that a developer/special needs developer will be procured competitively by the Township and the Township will donate the land to this developer. Also, the

Township will involve DDD in every aspect of the procurement and, once occupied, DDD will have significant input into the operation of the facility.

The Act's intent is for special needs housing units to be integrated into the housing to be developed on this property. Special needs housing means housing for individuals with developmental disabilities and other special needs. It is also the Act's intent that residents of the Woodbridge Developmental Center who have been impacted or who are yet to be impacted as a result of the imminent closure of the Woodbridge Developmental Center be given the highest priority to occupy the integrated special needs units that are created as part of the housing to be developed on this property so that these individuals have the option to remain residents of Woodbridge Township.

It is recommended that the property be sold as encumbered directly to Woodbridge Township for \$1.00 and other good and valuable consideration. Deed restrictions will be placed on the property and DDD has suggested should at the minimum require:

1. A minimum of 10% and a maximum of 25% of the units (i.e. apartments), will be set aside for individuals with intellectual and developmental disabilities who are referred by DDD. The rents for these units will be set at no more than Fair Market Rent as published by the Department of Community Affairs in effect at the time of the execution of a lease. In no circumstance will the rent for these units be set at a rent higher than that of a comparable unit in the project not included in this set aside.
2. At least 50% of the units set aside for the DDD will be completely accessible.
3. The set aside units must be integrated into the larger development and not concentrated in a single building, floor or wing.
4. The set aside units must meet the DHS Office of Licensing standard for physical environment.
5. The set aside units will be 2, 3 or 4 bedroom units.
6. DDD will approve the design, unit mix and location within the development of the set aside units.

In addition to the above restrictions placed on the property, the State shall have the right to enjoin any violations of the restrictions. Deed restrictions may also require that if the set aside housing is not first developed, constructed and available for occupancy in a timely manner, the property may revert to the State or under certain circumstances the State may be entitled to fair market value compensation for the acreage conveyed as determined by the State's appraisal.

3. Project: Berkshire Valley Wildlife Management Area, Block 256, Part of Lot 4.02, Jefferson Township, Morris County

Requesting Party: The NJ DEP, Division of Fish and Wildlife, requests approval to amend the original approval granted by the SHC at the March 22, 2004 meeting to correct and clarify the following issues.

Terms: At the March 22, 2004 meeting, the SHC approved the conveyance of a 0.46 acre easement to Roxbury Township for the construction of a back-up municipal water well as directed by the Department's Division of Safe Drinking Water. As compensation, the Township agreed to dedicate for conservation and recreation purposes a 7.22 acre municipally owned parcel. Construction of the new water well was completed in 2006 and final operational permits were issued in 2007. During the preparation of the well easement document, DEP determined the following corrections and clarifications needed to be made to the original approval:

- 1) The tax designation for the diverted parcel should be Block 256, Lot 4.02 instead of Block 256, Lot 4.2.
 - 2) The survey for the diverted parcel, which was finalized after SHC approval, specifies the diversion (easement area) is 0.420 acre (less than the 0.46 acre estimated in the original SHC summary).
 - 3) The compensation parcel was surveyed in 1993 and the survey identifies the tax Lot number as Block 35, Lot 4. Tax lot numbers in Roxbury have changed since then. The new tax number for the compensation parcel is Block 7701, Lot 26, which was correctly reported in the original SHC Summary. DEP notes this old tax lot designation in order to tie the survey information to the SHC approval.
 - 4) Although the proposed replacement land will still remain in Township ownership, the Township has agreed to place a restrictive covenant on the property by recording a deed in the chain of title so as to prevent any future inadvertent sale of the property by the Township. The property will be required to be listed on the Township's Recreation and Open Space Inventory upon its next receipt of Green Acres funding.
4. Project: Hamburg Mountain Wildlife Management Area, Block 190, Part of Lot 20, Vernon Township, Sussex County

Requesting Party: The NJ DEP, Division of Fish and Wildlife, requests approval to amend the original approval granted by the SHC at the June 27, 2013 meeting to correct and clarify the following issues.

Terms: On June 27, 2013, the SHC approved the conveyance of a non-exclusive access easement along an existing dirt road (known as Mountain Trail) within the Hamburg Mountain WMA to Philip and Donna Girlando, owners of an adjacent undeveloped lot (Block 194.05, Lot 14). As compensation for the access easement, the Girlando's proposed to convey to the DEP a 3.2 acre portion of their property for addition to the Hamburg Mountain WMA and make up a \$5,500 value shortfall through cash compensation and/or additional replacement land. The property to be crossed by the proposed access easement (Block 190, Lot 20) is one of the lots acquired by the State from Mountain Creek Resort, Inc. in 2003 as part of the State's re-acquisition of the former Intrawest/Great Gorge resort property.

Subsequent to the June 2013 approval, environmental investigations of the Girlando property revealed that the proposed building lots on the property were constrained by fresh water wetlands, thereby necessitating renegotiation of the proposed access easement in order to allow the shifting of the proposed lots and a reduced potential

impact upon the wetland features located on the property. The Girlando's have now proposed to acquire a longer (but narrower) easement along Mountain Trail (totaling about the same acreage as the original easement). They have also proposed to pave a 925 foot long by 18 foot wide section of Mountain Trail, create a turnaround/parking area for two cars at the end of the paved area and maintain the paved section of the road. The proposed driveway easement area includes two small "stubs" connecting the proposed home lots to the paved portion for the driveway across State property. (Based on further evaluation, the Division of Fish & Wildlife is no longer interested in acquiring the 3.2 acres on the Girlando property.)

NEW BUSINESS:

DEPARTMENT OF TREASURY REQUESTS:

5. TOC7, Trenton Office Complex, 225 East State Street, Suite 10, Block 202, Part of Lot 6, Trenton City, Mercer County

Requesting Party: The NJ Department of the Treasury, requests approval to lease commercial space within the Trenton Office Complex to LabCorp to be used as a patient service center. LabCorp is the current tenant of this space, however, the current lease and all renewal options have expired and a new lease must be approved.

Terms: The lease will be for a term of three years with three, three year renewal options. The annual rent for the first year will be \$30,015 with the tenant receiving a \$5,000 credit for flooring and painting, resulting in an effective rent of \$25,015. The annual rent for the second year of the lease will be \$30,912 and the annual rent for the third year of the lease will be \$31,836. Any renewal options will be at the then fair market value.

6. RPR 14-17, Greystone Psychiatric Hospital Wastewater Treatment Plant, Block 10, Lot 1.01, Parsippany Township, Morris County

Requesting Party: The NJ Department of the Treasury, on behalf of the Department of Human Services, requests approval to grant easements to the Township of Parsippany for the installation and maintenance of sewer pipelines necessary to connect to the Greystone Psychiatric Hospital's wastewater treatment plant. The Township has suffered the catastrophic failure of their sewer main near the Hospital and has requested connection to the State's wastewater treatment plant.

Terms: The Township will be responsible for all costs associated with making the necessary connections. The State will enter into a Memorandum of Agreement with the Township to establish the costs and responsibilities the Township will be liable for in using the wastewater treatment plant. The direct benefits the State will reap include revenue to the State as the Township will pay for the wastewater treatment. Also, the increased flow to the Hospital's treatment plant will benefit the plant by providing additional nutrients to the biological process in the plant that break down waste. The plant currently has a problem with maintaining these biological processes through the winter months,. Maintaining a healthy and abundant biological process

is critical to producing higher quality discharge water after treatment has been completed. By producing higher quality effluent, the Hospital will be able to consistently meet the stringent requirements of its operating permit with the DEP. The State's long range goal is to sell the wastewater treatment plant directly to the Township. The Township has a greater need for wastewater treatment capacity that will increase over time.

DEPARTMENT OF TRANSPORTATION (DOT) REQUESTS:

7. Project: Route 25A (Currently Route 21), Section 1, Parcel VX1B, Block 434, Adjoining Lot 1, Newark City, Essex County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, requests approval to dispose of an approximately 0.394 acre or 17,163 +/- square foot excess surplus lot currently in the I-2 Second Industrial District zone. The property will be sold as a direct sale to the only adjacent property owner, McCarter Associates, LLC (Martin Lucibello and Frank Rizzo) for \$325,000, appraised value.

Terms: The purchaser is currently encroaching on the VX parcel with a billboard and storage items used in connection with its concrete business on the adjoining property

8. Project: Route 178 Freeway, Section 1, Parcels VX29, VX32A, VX33, VX35, VX36A, VX36B, VX37, VX38, VX39 & VX42, Block 112, Lot 1, Morris Plains Borough, Morris County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, requests approval to seek State House Commission for approval to change the use of the State's interest in the Route 178 Freeway in accordance with Statute 27:6-1.1. Morris Plains Borough requests that the public uses on the subject parcels that were conveyed by deed dated July 5, 2013 be changed to include public housing, active recreation and to eliminate the public road and fire training facility. The previous approved uses of a recycling facility, open space and passive recreation will remain unchanged. The combined area for the ten parcels is approximately 10.647 +/- acres or 463,783 +/- square feet.

Terms: The property was previously sold to Morris Plains Borough for the public use of open space, a fire department training facility, a public works recycling facility, passive recreation and part of an unimproved paper street. The Borough is requesting the property use be changed to public housing, a public works recycling facility, open space, active/passive recreation and to eliminate the public road and fire training facility. There is no consideration for this action.

9. Project: A.R.R.O.W. Rahway Valley Railroad, Part of Parcel 13F, Part of Lot 1.01 and Part of Lot 3 of Block 300, Kenilworth Borough, Union County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is seeking approval to lease to Maroukian Realty, LLC (Gregory Maroukian), an irregular area, totaling approximately 0.219 acres or 9,540 +/- square feet for parking and storage by the Lessee's commercial tenant (Precision Escalator Products, Inc.).

Terms: The recommended lease amount is \$254 plus a \$76 municipal service charge, for a total rental of \$330/month with an incremental rental increase of 5% per annum on the base rental. The lease will be on a month to month basis with final approval of the lease being contingent upon State House Commission approval.

10. Project: Route 80, Section 4D, Parcels VX79A2B, VX78A2, VX77A2, VX76A2, VX75A, VX74A1 & VX806, Block 7505, Adjoining Lot 28, Paterson City, Passaic County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, requests approval to dispose of an approximately 0.43 acre (18,587 +/- square foot), irregular shaped lot of surplus vacant land located currently in the R-4 High Density Residential Zone. The property will be sold for public use, specifically redevelopment, to the Housing Authority of the City of Paterson (the only adjacent property owner), for its redevelopment project associated with the revitalization of the Alexander Hamilton public housing community and its surrounding neighborhood.

Terms: The recommended sale price is \$80,000, appraised value.

11. Project: Route 4, (Currently Route 109), Section 45, Parcel VX1, Block 793, Adjoining Lot 11.01, Lower Township, Cape May County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, requests approval to dispose of an approximately 0.742 acre or 32,305 +/- square foot surplus vacant lot currently in the General Business Zone to the only adjoining property owner, 791 Route 109, LLC (Gus Andy), for assemblage to potentially add parking, landscaping and displays.

Terms: The recommended sale price is \$97,000, appraised value.

DEPARTMENT OF ENVIRONMENTAL PROTECTION (DEP) REQUESTS:

12. Project: Municipal Open Space, Block 299, Part of Lot 1, South Brunswick Township, Middlesex County

Requesting Party: The NJ DEP, on behalf of the Township of South Brunswick, requests approval to allow the Township to convey approximately 0.408 acre of open space, in fee, to the South Brunswick Community Development Corporation (SBCDC) for the construction of a maintenance building. SBCDC is a private, non-profit corporation that provides subsidized affordable housing to very low income seniors in the municipality. Charleston Place is a senior residential facility located

immediately adjacent to the municipal open space (Block 299, Lot 1, comprising 1.787 acres).

Terms: SBCDC plans to construct a separate building for storage of gasoline, chemicals, tools and maintenance equipment on the open space. Currently, the maintenance shop occupies space in the community building which presents a safety hazard to residents that occupy the building. As compensation, South Brunswick will dedicate two vacant parcels totaling approximately 3.75 acres for permanent recreation and conservation purposes (Block 90, Lot 9.02 consisting of 1.87 acres) and Block 6, Lot 4.10 consisting of 1.88 acres. At the January 28 and May 13, 2014 public hearings no negative comments were expressed.

13. Project: Millville Wildlife Management Area --
Cumberland County, Downe Township: Block 24, Lots 1, 2 & 3, Block 25, Lot 1, Block 26, Lot 1 and 10 and Block 28, Lot 1;
Cumberland County, Commercial Township, Block 3, Lot 1;
Cumberland County, Millville City, Block 141, Lot 2

Requesting Party: The NJ DEP, Division of Fish and Wildlife, requests approval to enter into a 20 year lease agreement with Atlantic City Electric (ACE) for the use of a right of way (ROW) for the operation, maintenance, repair, renewal and removal of existing 69kV transmission lines for the distribution of electricity. This lease will replace and supersede a 50 year lease with ACE which expired in 2009 for the same ROW.

Terms: In accordance with the Interagency State Land Lease Valuation Report the rent for the first year will be \$481,470. With the 2.5% annual escalation, the total rent for the 20 year term will be \$12,306,373.

14. Project: Delaware & Raritan Canal State Park, Block 2, Part of Lot 5, Stockton Borough, Hunterdon County

Requesting Party: The NJ DEP, Division of Parks and Forestry, requests approval to amend an existing lease with the Delaware River Mill Society to add 0.57 acres (including a structure known as the Prall House) to the leased premises. The parcel will be acquired by the Green Acres Program through a donation from the NJ Conservation Foundation. The State House Commission approved a 20 year lease with the Mill Society on September 23, 2004 and an amendment to the lease on July 15, 2010 for an additional 2.343 acres and a structure referred to as the Cathers Residence. The term of the lease will remain the same.

Terms: The payment for the lease amendment will be an additional one-time payment of \$20. (The rent for 2004 was also a one-time payment of \$20.) Tenant will be responsible for maintenance and upkeep of the land and structures and payment of all utilities. When a non-profit seeks to lease land for the purpose of providing public services, DEP charges a nominal fee for rent in light of the value of public services and funding provided by the non-profit organization in volunteer

hours, interpretive programming and improvements, maintenance and operation of the leased facility.

15. Project: Pigeon Swamp State Park, Block 18, Part of Lot 20.01 (Disposal), Block 18, Part of Lot 10.01 and Part of Lot 20.01 (Diversion), South Brunswick Township, Middlesex County

Requesting Party: The NJ DEP, Division of Parks and Forestry, requests approval to convey to the Township of South Brunswick approximately 5 acres in fee, 0.50 acre in permanent easements and 5 acres in temporary easements. The conveyances are needed by the Township in conjunction with the construction of a 2 mile, 2 lane segment of County Route 522 extending between U.S. Route 130 and Cranbury-South River Road (County Route 535).

Terms: Although the segment of Ridge Road that runs between U.S. Route 130 and County Route 535 is currently designated as a part of County Route 522, the Township proposes to construct a new roadway north of (and parallel to) Ridge Road as the final segment of Route 522 in order to divert commercial truck traffic away from residential areas along Ridge Road. The proposed road project also involves the construction of a connector road from Route 522 to Fresh Ponds Road in order to limit access by trucks from Route 130 to Fresh Ponds Road. The overall road project is to be undertaken by the Township. At the conclusion of construction, Middlesex County will assume ownership and operation of the new segment of Route 522 and the Township will retain ownership and operation of the Fresh Ponds connector road. In exchange for the conveyances, the Township and County will convey to the DEP, in fee, two properties totaling approximately 59 acres for addition to Pigeon Swamp State Park (a 5 acre portion of Block 18, Lot 19.01 and all of Block 18, Lot 23).

At the December 8, 2013 public hearing in South Brunswick two residents of the Township attended the hearing with no formal comments being raised. At the January 6, 2014 public hearing held in the City of Trenton, no one from the public attended. One written comment was sent to the DEP on December 7, 2013. The commenter expressed her opposition to the project and in general is against all diversions and disposals of public parkland. The commenter further stated she does not want to see any Green Acres encumbered land lost to building or macadam. There was no specific comment directed towards the County Route 522 extension project.

16. Project: Atlantic County Bikeway East, Block 2004, Part of Lot 1, Egg Harbor Township, Atlantic County

Requesting Party: The NJ DEP, on behalf of the County of Atlantic, requests approval to divert a total of 0.15 +/- acre of parkland within the Atlantic County Bikeway East, in connection with the NJ Turnpike Authority's Garden State Parkway Widening Program from Interchange 30 to Interchange 80. The proposed diversion involves the expansion of a bridge over a 0.118 acre portion of the Atlantic Co.

Bikeway East and the relocation of a utility line below a 0.032 acre portion of the Bikeway in Egg Harbor.

Terms: To compensate for the diversion of these easements, the County proposes to offer \$6,000 cash compensation to be deposited into the Garden State Preservation Trust Fund. At the April 9, 2014 public hearing, no public comments were voiced and no written comments received during the public comment period.

17. Project: Unnamed Parkland, Block 57, Part of Lot 31, Branchburg Township, Somerset County

Requesting Party: The NJ DEP, on behalf of the Township of Branchburg, requests approval to legalize the past diversion of unnamed parkland in connection with the construction of a police station in the mid-1980's.

Terms: To compensate for the illegal diversion of 3.12 acres of parkland, the Township will dedicate for recreation/conservation purposes a 30.414 acre parcel of former agricultural lands located elsewhere in the Township. Public hearings were held on August 13, 2007 and March 24, 2014 with no public comments received.

18. Project: 18th Street Land Swap, Block 57, Lots: 2 & 3 (p/o) (New Lot 1.01), Ship Bottom Borough, Ocean County

Requesting Party: The NJ DEP, on behalf of the Borough of Ship Bottom, requests approval to dispose of 0.06 +/- acre of parkland. The disposal will allow the Borough to swap parkland west of the bulkhead line with privately held land east of the bulkhead line (owned by Francis A. and Joan McTiegue), in order to create a contiguous and municipally owned dune corridors as required as part of a beach replenishment project to be funded by the DEP and the Army Corps of Engineers.

Terms: In addition to conveying equal acreage to the Borough, the McTiegue's will tender \$116,500 cash to equalize the exchange from a property value perspective. The Borough is proposing to construct recreation facilities including playgrounds, kayak and Jet Ski ramps and signage located at Shore Avenue Waterfront Park and Bay Terrace Waterfront Park. At the May 28, 2013 public hearing, there was minimal public opposition to the proposed disposal. All comments were adequately answered.

DIVISION OF PENSIONS AND BENEFITS' REQUESTS:

19. 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 27, 2014
2. Confirmation of Death Claims, Retirements & Survivor Benefits

3. Receive Financial Statements from January, 2014 to February, 2014

EXECUTIVE SESSION *(as necessary)*

OTHER BUSINESS *(as necessary)*

ADJOURNMENT