



City of Lambertville
SPECIAL SESSION
THURSDAY, MARCH 25, 2021, 6:00 PM
VIRTUAL MEETING USING THE ZOOM MEETING PLATFORM
MINUTES

COMPLIANCE WITH THE OPEN PUBLIC MEETINGS ACT

Mayor Fahl called the meeting to order at 6 p.m. and she asked the City Clerk to read the statement of compliance with the Open Public Meetings Act into the record.

The City Clerk read the following statement: "This meeting is being held in compliance with the Open Public Meetings Act with the meeting notice provided on Friday, March 19, 2021 to the Hunterdon County Democrat, the Trenton Times, various individuals on the list serve, department heads and the City Engineer and City Attorney. This meeting will be recorded using Zoom. The meeting agenda offers the planned action items of the Governing Body to the extent known at the time of publication."

ROLL CALL

The City Clerk called the roll as follows:

Present: Councilwoman Lambert, Councilman Sanders, Councilman Stegman, Council President Taylor, Mayor Fahl.

Also Present: William Opel – City Attorney, Matthew Jessup – Bond Attorney, Cynthia Ege – City Clerk.

PLEDGE OF ALLEGIANCE & MOMENT OF SILENCE

Mayor Fahl led the public in the Pledge of Allegiance and a moment of silence in honor of those serving in the United States Armed Forces in Country and Abroad, and for those serving on the front lines of the COVID Pandemic.

RESOLUTIONS

RESOLUTION NUMBER 45-2021: A Resolution to Authorize the Person-to-Person Transfer of the Retail Liquor License from DeAnna's to Taverna 54.

Postponed to the April 6, 2021 Session.

RESOLUTION NUMBER 59-2021: A RESOLUTION CLARIFYING THE INTENT OF THE GOVERNING BODY WITH REGARD TO THE ACQUISITION OF THE CLOSSON PROPERTY

RESOLUTION NUMBER 59-2021

A RESOLUTION CLARIFYING THE INTENT OF THE GOVERNING BODY WITH REGARD TO
THE ACQUISITION OF THE CLOSSON PROPERTY

WHEREAS, on November 30, 2020, the Governing Body adopted Ordinance 14-2020, authorizing the purchase of property located at 260 N. Main Street in the City (the "Property") and execution of any documents in furtherance thereof; and

WHEREAS, on April 22, 2021, the Governing Body will take action to adopt Ordinance 10-2021, a bond ordinance providing for the acquisition of the Property and for related site improvements thereto; and

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WHEREAS, the Governing Body desires to clarify its intent to prepare, review and approve by further resolution formal plans for any future improvements to the Property, prior to undertaking any such improvements; and

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Lambertville that the foregoing represents the policy of the Governing Body with respect to the acquisition and potential future improvements to the Property.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED: March 25, 2021

Discussion regarding Resolution Number 59-2021 ensued. Members of the Governing Body commented that the primary purpose for the acquisition is preservation of open space and the historical Holcombe House, to make the site available for general public access, and to stop over development. Members expressed concern for the language for future events, and the purpose.

The document is a covenant between members of Council with the public. It codifies the Governing Body's commitment to not spend money from this bond ordinance until a full project plan has been flushed out. This means no spending will happen until the project plan is approved by resolution of the Governing Body and confirms that absent a site plan, we do not intend to move forward with the spending.

Council President Taylor made the motion to adopt Resolution Number 59-2021. Councilman Sanders seconded the motion. An affirmative roll call vote was taken in favor of the motion by all members present. MOTION CARRIED.

ORDINANCE FIRST READING AND INTRODUCTION

ORDINANCE NUMBER 10-2021: A Bond Ordinance Providing for the Acquisition of Property Known as 260 North Main Street and Related Site Improvements in and by the City of Lambertville, in the County of Hunterdon, New Jersey, Appropriating \$3,770,000 Therefor and Authorizing the Issuance of \$3,590,470 Bonds or Notes of the City to Finance Part of the Cost Thereof.

The City Clerk read the Ordinance into the record by title.

Mayor Fahl informed the members of the public present that because of the importance of this Ordinance, the Governing Body will open to public comment prior to the vote. She noted that 145 people logged on and this reflects the importance of this subject.

Mayor Fahl commented that the bond includes 2.73 million due to the Closson's for the purchase of the site and it does not include the \$75,000 deposit previously paid. The initial plan was to introduce the full potential site cost which would include potential rehabilitation of the log cabin to the police department, public open space, and generic site improvements including fixing the road, utilities, etc.

The goal of this bond is to get the improvements together to ensure we have money to pay for public accessibility and maintenance and much more rigorous project plan.

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What we are trying to avoid acquiring the site and then allow it to languish without improvements. We do not know that we need the full million, we have a pretty significant amount of time, three years of conservative lift to amend the bond with can amend an reduce debt impact at that point.

BOND ORDINANCE PROVIDING FOR THE ACQUISITION OF PROPERTY KNOWN AS 260 NORTH MAIN STREET AND RELATED SITE IMPROVEMENTS IN AND BY THE CITY OF LAMBERTVILLE, IN THE COUNTY OF HUNTERDON, NEW JERSEY, APPROPRIATING \$3,770,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$3,590,470 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COST THEREOF.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAMBERTVILLE, IN THE COUNTY OF HUNTERDON, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The several improvements described in Section 3 of this bond ordinance are hereby respectively authorized to be undertaken by the City of Lambertville, in the County of Hunterdon, New Jersey (the "City") as general improvements. For the several improvements or purposes described in Section 3, there are hereby appropriated the respective sums of money therein stated as the appropriation made for each improvement or purpose, such sums amounting in the aggregate to \$3,770,000, and further including the aggregate sum of \$179,530 as the several down payments for the improvements or purposes required by the Local Bond Law. The down payments have been made available by virtue of provision for down payment or for capital improvement purposes in one or more previously adopted budgets.

Section 2. In order to finance the cost of the several improvements or purposes not covered by application of the several down payments, negotiable bonds are hereby authorized to be issued in the principal amount of \$3,590,470 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. The several improvements hereby authorized and the several purposes for which the bonds are to be issued, the estimated cost of each improvement and the appropriation therefor, the estimated maximum amount of bonds or notes to be issued for each improvement and the period of usefulness of each improvement are as follows:

<u>Purpose</u>	<u>Appropriation & Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds & Notes</u>	<u>Period of Usefulness</u>
a) Acquisition of property known as 260 North Main Street and described on the City tax map as Block 1002, Lot 41 (the "Property")	\$2,760,600	\$2,629,140	40 years
b) Site improvements on the Property, including roadway improvements on the Property, improvements to an existing barn to ensure public safety and	<u>\$1,009,400</u>	<u>\$961,330</u>	15 years

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accessibility, fencing and landscape improvements				
Totals:		<u>\$3,770,000</u>	<u>\$3,590,470</u>	

The excess of the appropriation made for each of the improvements or purposes aforesaid over the estimated maximum amount of bonds or notes to be issued therefor, as above stated, is the amount of the down payment for each purpose.

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the chief financial officer. The chief financial officer shall determine all matters in connection with bond anticipation notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The chief financial officer is hereby authorized to sell part or all of the bond anticipation notes from time to time at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The chief financial officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation notes pursuant to this bond ordinance is made. Such report must include the amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 5. The City hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the City is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses. They are all improvements or purposes that the City may lawfully undertake as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The average period of usefulness, computed on the basis of the respective amounts of obligations authorized for each purpose and the reasonable life thereof within the limitations of the Local Bond Law, is 33.30 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$3,590,470, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$35,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements.

Section 7. The City hereby declares the intent of the City to issue bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes or improvements described in Section 3 of this bond ordinance. This Section 7 is a declaration of intent within the meaning and for purposes of the Treasury Regulations.

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Section 8. Any grant moneys received for the purposes or improvements described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 9. The chief financial officer of the City is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the City and to execute such disclosure document on behalf of the City. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the City pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the City and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the City fails to comply with its undertaking, the City shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 10. The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable real property within the City for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 11. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

COUNCIL COMMENTS:

Councilwoman Lambert expressed concerns for the city's dire financial situation; lack of maintenance and a plan for current facilities and the burden it will place on taxpayers. She expressed concern for taking on more debt and the ability to sustain the current infrastructure. She also expressed concern for residents and businesses who were not aware of the survey completed by the CAT and felt that a referendum would have solidified the public's opinion.

Councilman Stegman said he could support the purchase of the property but it was the additional funds in the bond that he could not support. He would rather wait until the City had a formal plan and bond for the improvements then.

The bond attorney, Matt Jessup commented that if the bond ordinance is adopted, you are not obligated to issue the full bond all at one time, we clearly need the \$2.7 sooner rather than later, we need that right away. We could borrow the 2.7, we do not have to borrow the additional million until a formal site plan/project plan is approved by resolution.

Council President Taylor commented that this is an interesting opportunity, things came together in a way we couldn't predict. I have had concerns about our decision making process, and felt the process was too accelerated, something we had to do or else. I want us to acquire this property and preserve it. I would rather vote on a bigger bond because bonding is not the same as spending, there is also a cost to it, bonding later means we

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will have to spend operating cost to make the bond. She is disappointed we are voting on a smaller bond.

Jim Amon's letter to council was discussed. Availability of grants, and the acquisition process was discussed. Typically, it's the municipality the starts the process by going to the property owner to purchase it for preservation. In this case, the city was fighting in the open market, competing with private developers who could have, and were interested in that site for overdevelopment. We had goals we had to hit and we had to hit them quickly: Low down payment, as much time as possible, and exclusivity on the site during that time. We were able to negotiate all three.

Councilman Sanders apologized for not being on Zoom due to a healthcare encounter. He expressed his support of the purchase, and for bonding in excess of the money with absolute clarity that he is not going to vote on spending until there is a site plan. He said he believes there is going to be a spirited debate on what happens with this property and how we use it. The acquisition has a fair amount of support for the purchase.

PUBLIC COMMENTS

Approximately 54 residents logged on and spoke in favor of the bond ordinance to acquire the property and fund upgrades once a project plan is approved.

Their comments include:

- Appreciation to the Closson Family for agreeing to slow down their retirement and to sell the property to the City for preservation;
- Historic significance of the property not only to Lambertville but nationally;
- Sledding Hill and the importance of public access to it;
- once in a lifetime opportunity.
- referendum versus survey:
 - many shared the opinion that the survey was successful (you essentially sampled, 448 people, 2200 tax payers, sampled 20% of population, huge sample, 90% approval rate, you could call this for an approval);
- Concern for a developer purchasing the property was expressed; Developers are in business to make money; they can build anything anywhere and they will.
- if it is developed and council doesn't support this, still a cost, police, fire, public works, school and we will end up paying for that.
- the city and the council are the best custodians long term for this property;
- need to preserve this view shed was expressed by many

OPPOSITION: Approximately 10 people expressed opposition to the acquisition of the property for the following reasons:

- budgetary concerns and fiscal responsibility;
- concerns that a referendum was not done for the purchase;

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- concerns were expressed about the survey not reaching enough people;
- moving the police department to this site.
- rising taxes from the school and fire districts.
- Concern for the mixed use was discussed.
- Over taxed public works department and we can't afford to have the Convenience center opened on weekends, how can we afford this?
- Not tax neutral
- Interest in selling the buildings was expressed.

COUNCIL FINAL COMMENTS

Councilwoman Lambert thanked all of the members of the public who spoke and for the emails. She expressed concern for those who are living on a limited income and may not be able to afford a tax increase.

Councilman Sanders offered his apologies for not being there in zoom person for a portion of the meeting. (1) I support the purchase of the Closson Property; and (2), I support the bonding for additional sums to allow for improvements. For me, the purpose is: (1) to preserve this as open space; (2) to control the fate of this property and avoid its mostly likely use – a sale to a private developer. I am NOT going to vote to support improvements that are developed ad hoc, without a holistic analysis of all of our properties, or rushed. I wish we could have pushed a pause button to allow for a referendum, but we didn't have that choice without risk of losing the option to purchase this. I wish some things were different, but it doesn't curb my enthusiasm for the purchase of the property.

Councilman Stegman commented that hearing the way Councilman Sanders presented his position and how Council President Taylor is approaching it has made him change his position. His initial concerns were preconceptions about what we should do. He has reached a comfort level. The facilities review will provide more factors to consider; hope to go through every possibility about how to move forward; comfort in working with council on that and knowing that 200 people have heard positions, approaches, concerns and this vote is something I struggled with all day, but what I have heard from the Council tonight and the Mayor and what this money will do, I think we are in a better place than I thought we were.

Councilwoman Taylor thanked her colleagues for their thoughtfulness and members of the public who participated or sent emails. She is very much in support of purchase and the bond ordinance, and is looking forward to going through the process; obtaining more input and data. Her only disappointment is that we couldn't get to a bigger place, cross the next funding bridge, sounds like consensus where we can move ahead.

Mayor Fahl commented that we are deliberating about the cultural heart of our community; an opportunity to preserve rural part of our town that will have a real-life

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impact on community members beyond sledding, cultural, social meeting. We can use this property to become the gateway we all want and deserve. The bond allows for the flexibility we have all been craving, facilities and maintenance of property.

Councilman Sanders made a motion to introduce Ordinance Number 10-2021. Council President Taylor seconded the motion. An affirmative roll call vote was taken in favor of the motion by the majority of the members present, with Councilwoman Lambert voting no. MOTION CARRIED.

The public hearing is scheduled for April 22, 2021.

ANNOUNCEMENTS

STREET SWEEPER is suspended through March 31, 2021. It will resume the regular schedule on April 19, 2021, weather permitting.

ELECTION NEWS:

- i. Election Dates:
 - 1. Primary election is scheduled for Tuesday, June 8, 2021
 - 2. General election is scheduled for Tuesday, November 2, 2021
- ii. Polling Information:
 - 1. Hours: The polls will open at 6 am and close at 8 pm
 - 2. Places:
 - a. Districts 1 and 2 will vote at the Phillip L. Pittore Justice Center located at 25 South Union Street in the city;
 - b. Districts 3 and 4 will vote at the American Legion located at 320 North Union Street in the city.

PUBLIC PARTICIPATION

Matt Hanson asked about a pothole that showed up on Douglas Street. Mayor Fahl encouraged him to send an email.

Cynthia Jahn commented about a pothole on North Union at Delaware Avenue. She too will send an email.

BILLS LIST

Councilman Sanders made a motion to approve the Bills List as presented. Councilwoman Lambert seconded the motion. An affirmative voice vote was taken in favor of the motion by all members present. MOTION CARRIED.

ADJOURNMENT

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The meeting adjourned at 9:51 p.m. with a motion made by Councilman Sanders and seconded by Councilman Stegman. An affirmative voice vote was taken in favor of the motion by all members present. MOTION CARRIED.

Respectfully submitted,

Cynthia L. Ege

CMR, RMC, City Clerk