

**TOWNSHIP OF UPPER
2100 TUCKAHOE ROAD
TUCKAHOE, NJ 08270
CAPE MAY COUNTY
MINUTES FOR THURSDAY MAY 21, 2009 SPECIAL MEETING**

The purpose of this special meeting is for the Township Committee to discuss the Petition for De-Annexation of Strathmere and Whale Beach.

CALL TO ORDER

SUNSHINE ANNOUNCEMENT

SALUTE TO THE FLAG

ROLL CALL

Barbara Camp	Present
Frank E. Conrad	Present
Curtis Corson	Present
John "Jay" Newman	Present
Richard Palombo	Present

Also present were Municipal Clerk Wanda Gaglione, Municipal Attorney Daniel Young, Municipal Engineer Paul Dietrich, and Municipal Auditor Leon Costello.

Upper Township Planning Board attorney Dean Marcolongo and Township Planner Stuart Wiser from Remington, Vernick, and Wahlberg were also in attendance in the audience.

Mayor Palombo requested that Mr. Young provide a summary of the events in this matter.

Municipal Attorney, Daniel Young began the summary as follows: The purpose of this meeting is to address the impact report from the Planning Board and the petition for deannexation. A previous meeting recently occurred to receive final comments from attorneys from both sides as well as the Planning Board Chair, the Municipal Auditor and the Township Planner. Tonight's meeting is for the Township Committee to deliberate and make a decision on the petition. Although Ms. Bittner was not present, Mr. Young presented a letter received this afternoon from her dated May 21, 2009 that raised issues she had such as the interpretation of U.S. Census Data, a reference to the police expert and response time, and an issue with the Township of the time frame for contracting with a professional planner. Mr. Young commented on the profession planner contract in that professional contracts are always first brought up in closed session to discuss and to review the parameters of the contract. This was done in anticipation of the upcoming request for deannexation, as the petition had been made common knowledge to the general public. Ms. Bittner's letter also objected to the hiring of special counsel as a method of presenting issues to the Planning Board, as was done the Avalon Manor case. This issue went to court and the court determined that the Township committed no legal violation.

Mr. Young discussed the process and purpose of this evening was to deliberate and put findings on record and to adopt a resolution to either deny or consent to deannexation. He advised the Committee that the two essential issues to consider are 1. The effect of deannexation on the

economic and social well being of residents of Whale Beach and Strathmere; and 2. The effect of deannexation on the mainland residents of Upper Township, that is will deannexation cause a significant injury to the well being of Upper Township.

Mayor Palombo the asked each Committee member to comment on this matter.

Frank Conrad, Committeeman: Commented on the daunting task the Planning Board had as he reviewed and read through the reports and documentation over the last couple of weeks. As he studied the reports he came across three very significant items revealed in the reports. The first being the loss of tax ratables in the amount of \$393,461,300; the second is the increase to the school tax; and third is the loss of 370 acres to the Township. He commented that this acreage is part of the diversity the Township has to offer its residents. He referred to the report indicating many other items however the three above, in his opinion were the most significant. He also found the petitioners had some valid points. Their taxes would be lower if they went with Sea Isle; Strathmere would become a more continuous barrier island, and they could possibly receive more municipal services. There were downsides to this as well; loss of free beaches, loss of free parking with the installation of parking meters, increased traffic/pedestrian congestion, and other problems experienced in shore towns such as noise problems, etc. The mainland of Upper Township would see a municipal increase in the Township coffers by not maintaining Strathmere – but only initially. “This brings us back to losing the ratables and school taxes and 370 acres. We all know taxes in this state are exorbitant and the future is uncertain; the future of all of Upper Township is at the forefront at this point and what a detriment it would be to lose the ratables and deal with a significant increase in school taxes, as well as lose of diversity of the Township.” Mr. Conrad said Upper Township is talked about across the state, and was voted the second best place to live–“it doesn’t matter what part of Upper Township you live in you’re a resident of this one Township”. “We take care of ourselves and we need to stick together.”

Committeewoman Barbara Camp: Her comments included the following: She again stated the purpose of this meeting and gave a summary of the events. A petition was submitted to the Upper Township Committee in November of 2007, and the Township Committee on November 27, 2007 referred the petition to the Upper Township Planning Board. The duty of the Planning Board was to issue an impact report on the proposed deannexation. Public hearings were held over the course of approximately 13½ months. The Planning Board hearings received testimony from all those for, and against the deannexation. On April 16, 2009 the Planning Board issued its impact report on said petition.

She stated that she has reviewed the various reports and exhibits thoroughly. The subjects discussed were the economic impact, beach issues, planning issues, Master Plan issues, drainage and flooding issues, police issues, fire issues, EMS issues, lifeguard issues, and quality of life issues. She commented on each of the subjects as follows:

Under the Report of Findings prepared for the Upper Township Planning Board by Remington, Vernick and Walbert Engineers, pro deannexation witnesses indicated that their taxes increased and that economics are a large reason to support the deannexation, as well as the Township does not do enough for Strathmere, and that the reevaluation shifted much of the tax burden from the mainland to Strathmere.

Those not supporting the deannexation had reasons ranging from the mainland also saw tax increases, they were concerned with the impact on the school system, and a fear of a significant change in the quaintness of Strathmere would be affected.

The Township does have a line item in its budget for beach protection.

Under the beach issues, those in favor of the deannexation spoke of the Township not being qualified to manage a beach, that Township officials ignore erosion and the dunes--that the loss of sand should be a "now" rather than "later" issue, that sea walls would be better than sand, that the Township has neglected beach erosion, dirty beaches, and trash collection, that there are no maintenance schedules, and that the Township is reactive not proactive.

Those speaking against the deannexation, stated that the Township does have a qualified expert in the field of managing beaches, Dr. Steward Farrell is well respected in the NJDEP and other state agencies and is qualified to help the Township manage its beach program. The Township is limited by state and federal guidelines as to what, when, and how we replace sand or build sea walls. As Dr. Farrell has explained numerous times, erosion comes in cycles every 7-9 years. Beach clean up is also addressed by the Township. Our Department of Public Works Department now inspects and repairs when necessary. The Township schedules 2 clean-up day's annually in conjunction with the Clean Ocean Action, one in the Fall and one in the Spring, and using part-time employees, the Department of Public Works provides 3 part-time workers that pick up beach litter 3 days per week, a program that began in 2008. County Community Service programs are also utilized.

The Township is prohibited from raking the Township beaches via our NJDEP Beach Maintenance permit. The Beach Maintenance permit specifically outlines what activities the Township is permitted or prohibited from doing.

Under the planning issues those speaking for the deannexation basically stated that Strathmere is all but ignored. The Township Master Plan is not specific to the needs of Strathmere and that Strathmere is only mentioned briefly, that Strathmere is not included with census data relating to Upper Township. She stated that witnesses indicated that the Township wants to see high-rises in Strathmere.

The planning issues also relate to our Master Plan issues. Those not in favor of the deannexation do not agree that Strathmere is hardly considered. Strathmere data concerning the census can be confusing to find if not familiar with the federal website. The Township has tried to preserve the current nature of Strathmere, as you will see no duplexes or condos. The Upper Township Master Plan was geared toward Centers Designations and included Strathmere. Sewers were denied by the NJDEP due to a potential for over development.

The next issues she focused on were drainage and flooding. Those speaking in favor commented that after the 62' (1962) storm the Township did not purchase private beach lots east of the Army Corp of Engineers berm line. Other items discussed by those "pro" deannexation were that storm water backs up on streets and roads and that it freezes in winter, that there is no drainage on Commonwealth Avenue during storms and floods, that trash cans and lids are seen floating, that the drains are not cleaned to prevent flooding, that the Township is non-responsive.

Her reply to that was that Strathmere is not the only area prone to water backups and street flooding nor is it the only area exempt from freezing during flooding in the winter. As to the drainage on Commonwealth Avenue, the responsibility for this lies with the County of Cape May, not Upper Township. In any storm where there is wind, trashcans and lids can be seen strewn on any street within the 63.8 sq. miles of Upper Township.

She continued that those speaking in favor of deannexation did not feel that they had adequate police protection, stating too long of a response time. Those speaking against deannexation indicated that the response times were the same Township wide. Also, that the fact the State Police stationed in Woodbine did not mean that the responders came from Woodbine.

Regarding fire protection issues she stated that those pro deannexation to Sea Isle City stated that Strathmere would be provided with a 100% volunteer fire company. Her response to that was that Strathmere currently has a fully qualified and staffed volunteer fire company and would not impact the "pro" or "anti" deannexation issues.

With regards to EMS issues, those in favor of deannexation cited that EMS response was too slow, and that the Township was non-responsive to Strathmere's needs. Those speaking on

behalf of the anti deannexation noted that the Township has mutual aid and 911 dispatch agreements with Ocean City, which was a request of Strathmere due to a prior dissatisfaction with the previous service provider of Sea Isle City.

With regards to the issue of Lifeguards, those speaking for deannexation requested more lifeguard stations and coverage, when others complained that the lifeguard station was built on the beach against Strathmere's wishes and that lifeguards are not placed in the south end of Strathmere. This issue contradicts requests of those speaking "pro" deannexation.

With regards to quality of life issues, those speaking on behalf of deannexation cited the following quality of life issues: lack of street lighting, complaints about the bridge, illegal fireworks, campfires, beach parties, lack of beach curfew, number of times trash and recycling are picked up, inequity of the boat ramps, and parking problems. Response to quality of life issues from those "anti" deannexation with regards to street lighting is just a matter of a request submitted to the Township, which the engineer will review and submit his report to the Committee. The bridge is the responsibility of the Cape May County Bridge Commission, not Upper Township. Referencing illegal fireworks, beach parties and campfires, this is something that is part of all shore communities but not limited to just the shore, since the mainland also experiences these problems during the influx of visitors from campgrounds, and other beach areas in the Township.

She continued--that trash collection in Strathmere year round is once a week; in addition Strathmere also receives trash collection on holidays during the summer months due to the increase of the visitors, plus to eliminate an attractive nuisance to birds and animals. Strathmere is the only area of the Township that has trash collected on Memorial Day and Labor Day. Regarding parking issues—"pro" deannexation comments were for enforcement of parking. The Township has addressed this and at the request of Strathmere residents, have painted yellow lines on the streets to help delineate parking areas.

Regarding social impact, those speaking on the behalf of deannexation said that most residents are seniors and that the Upper Township Senior Center located in Seaville is too far for the Cape May County Fair Free transportation bus and those seniors that did not drive were bussed only to the Ocean City Senior Center. Others spoke that Sea Isle City would better serve them with health, safety, community, and social needs. Others spoke that they go to church, physicians, dentists, pharmacy, grocery stores, and libraries in Sea Isle City. Those speaking against deannexation stated that Strathmere was closer to public facilities in Marmora and Seaville than many other parts of the Township. There also would be no reason to change where an individual would go to church, dentist, doctor etc. upon deannexation. Other comments against deannexation were that there would be a detrimental social impact to all. That life would change upon deannexation because their rules and degrees of enforcement would alter Strathmere as we have come to know it.

She continued that after reviewing the information that has been provided by the Planning Board, the engineers Remington, Vernick and Walberg, and the exhibits, she can state the following: Pro deannexation focused on the negative and not the positive. Witnesses stated that many of the long-standing issues were getting attention. As to the cultural disconnections caused by the geographic location this speaks directly to the social diversity, which exists in Upper Township; and I find that this is not a detriment to our community rather it is a positive attribute.

She concluded that she believes the Township has adequately addressed all the needs for general municipal service, beach planning and maintenance, and police protection. I also believe that the concerns regarding trash, parking, erosion and flooding are common to most barrier islands and would not cease to exist by deannexation. "I believe that Upper Township would suffer a loss of social diversity with the mainland portion of the community. I also believe the loss of one of the most prestigious and upscale communities would be a detriment to the Township. The loss of Strathmere and Whale Beach would result in a diminishment of the identity of Upper Township and therefore I will not vote to approve the petition of deannexation. "

Deputy Mayor Curtis Corson's comments are as follows: "As all of you know I am also a member of the Upper Township Planning Board and during the fact-finding process on the deannexation hearings I attended every meeting, listened carefully to all the testimony given, then carefully reviewed my notes and the evidence submitted. I personally think this deannexation process was triggered by the reval and is not about cultural issues, quality of life, planning issues, or any of the other issues testified to.

There was evidence introduced at the Planning Board about the original Strathmere website that spoke about taxes and why they were petitioning for deannexation and it was all about taxes. A newspaper article written by Elaine Holsomback, and published in the 1/8/09 edition of the Gazette illustrates that. She says "Committee, either lower our taxes to where they were four years ago or use every single penny of our tax money to save Strathmere's beaches and those over-taxed homes ""."

He continued that the facts are that the property owners of Strathmere would see a 40-50% tax reduction, if they were annexed to Sea Isle City, which would result in a 19.7% tax increase to residents of the mainland or approximately \$700 addition dollars added to the taxes of a home assessed at \$350,000. Upper Township would lose \$393 million dollars of tax ratable property, therefore reducing our bonding capacity. It would also affect us should we ever have to institute a local purpose tax of our own by giving the mainland a higher tax rate.

He continued that Upper Township at this time collects zero (0) local purpose tax dollars. All taxes collected go to pay school, county and fire taxes; no collected tax dollars stay in Upper Township.

He continued that the paragraph taken from the Impact Report prepared by the Upper Township Planning Board reflects his feelings. It reads "Upper Township is comprised of many different villages each of which has provided a valuable benefit and resource to the entire community. Upper Township has been rated as one of the most desirable places to live in New Jersey. The loss of Strathmere and Whale Beach will result in diminishment of the entire Upper Township Community".

Committeeman, Jay Newman's comments are as follows: He began by expressing his sincere appreciation to the members of the Upper Township Planning Board, who volunteer their valuable time in order to continue to make Upper Township a great place to live. He was extremely impressed with the manner in which the Planning Board went about this difficult task with professionalism, pride and tenacity to come up with a fair and honest assessment of the facts of this case. After over 58 hours of testimony and hearings that spanned a period of over a year, they have come up with a report that is comprehensive yet at the same time bores down to the facts of the case.

He stated that he has read and reviewed the Impact Report prepared by the Upper Township Planning Board and the Report of Findings prepared for the Planning Board by Stuart Wiser of the firm Remington, Vernick and Walberg. He stated that he has also reviewed some of the pertinent testimony and exhibits that were presented to the Planning Board. He heard the presentation from the attorney representing the Citizens for Whale Beach and Strathmere and from the Planning Board's professional planner, Stuart Wiser, as well as the Chairperson of the Planning Board, Renee Scrocca, and the Municipal auditor Leon Costello.

He continued as follows: "from the beginning of this process I have made an extraordinary effort to not offer an opinion, but to first gain all the facts that I could via my special knowledge in the public safety field and my knowledge as a Township Committeeman throughout the past 7 ½ years."

Because of his expertise concerning public safety in Upper Township he felt that he could provide greater insight to the public safety issues put forth by the petitioners. "I found Lt. Watkin's, (Station Commander of NJSP Woodbine Station) testimony credible and the issues

brought forth by the petitioners without merit. On several occasions the petitioners brought forth complaints about response times, a sense of no law enforcement in Strathmere and a need by the State Police to contact Sea Isle as routine procedure. Lt. Watkins stated that these complaints were without merit as response times are within an acceptable range. In instances when they were not within an acceptable range, the matters were investigated and in most cases found to be associated with false alarms. Furthermore, he stated that it is not routine procedure for the State Police to contact any outside agency for assistance. As for the sense of no law enforcement presence, I found that the crime rate does speak for itself. Upper Township has one of the lowest crime rates per thousand in the State of NJ. I think that every citizen in every community would love to have an officer on every corner, but that does not occur anywhere. It does not happen in Upper Township and it would not happen if Strathmere were to become part of Sea Isle City. Let me further state that I found the statement by Mary D'Arcy Bittner attempting to link the deaths of two young Upper Township residents involved in an accident with a NJ State Police troop car, to this case to be insulting and down right repugnant."

He continued, "with regard to fire and EMS issues, any concern brought forth by the petitioners is without merit. Sea Isle City was the EMS provider for Strathmere until about 2 ½ years ago. At that time, at the request of the Strathmere Fire Company the Township successfully negotiated an inter-local agreement with the City of Ocean City to provide EMS coverage and additional fire coverage for the residents of Strathmere. This agreement was in place and ready to go in very short order, within about 2 months time. Furthermore, Strathmere was included in the initial negotiations of the communications Strathmere chose not to be included in the contract, although they were mentioned as a possible addition at a future date. When it came time to move Strathmere to Ocean City communications the move was seamless. The feedback I received from Strathmere fire personnel is that Ocean City is providing excellent service and any move to Sea Isle City would definitely not be in the best interests of the residents of Strathmere."

"Having served for over 7 years on Township Committee, I have experienced many issues that have come up with citizens on both the mainland and in Strathmere. On each occasion, the Committee has worked through those issues without regard to where they were located. Some of the issues brought forth by the petitioners dated back to 1962. Some of the petitioners admitted that some of the issues brought to the Planning Board meetings were never brought to the Township Committee. Lt. Watkin's testimony stated the he went back six years and had no complaints on file with the State Police regarding Strathmere. We are elected to serve all of the people regardless of location and we do that. That being said, from my experience on Township Committee, I see no merit in the complaints of non-responsiveness by the Township Committee. We address each issue that comes before us and attempt to do the right thing for all of the citizens of Upper Township."

"I would like to say that I have lived in Upper Township virtually all of my life. I have seen it grow exponentially in both good ways and bad. Upper Township is made up of many small fine communities such as Beesley's Point, Mirmar, Marmora, Palermo, Seaville, Greenfield, Petersburg, Middletown, Tuckahoe, Marshallville, Steelmantown, Whale Beach, and Strathmere. All of these communities have individual traits and issues that need to be addressed. Beesley's Point with the BL England power plant, Seaville with the Garden State Parkway exit, Petersburg and Tuckahoe, and Steelmantown with Pinelands and gypsy moths, Strathmere and Whale Beach with beach issues and COAH housing for the whole Township. Regardless of what happens with the de-annexation, these issues will continue. "

He concluded, "I have reviewed the case thoroughly; the Planning Board has presented the facts in a clear and concise manner. I acknowledge that a no vote on de-annexation will be detrimental to the economic well-being of Strathmere. According to the report, if annexation to Sea Isle occurs, Strathmere residents will see a 40 to 50 % decrease in their taxes. I believe that is what it is all about taxes. I found it noteworthy that some of the Strathmere petitioners mentioned increased taxes as a result of the 2005 reevaluation as one of the reasons for the

petition for de-annexation. I intend to vote “no” to the de-annexation request because it will cause a significant injury to the well being of Upper Township. A loss of \$393 million of total tax valuation and an increase of \$700 per year for a home value of \$350,000 is significant injury to the well being of Upper Township.”

Richard Palombo, Mayor: Began his comments as follows: he stated that “On the positive side for the residents of Strathmere they would probably experience a 40 to 50% reduction in their property taxes by deannexing to Sea Isle City. They would probably have a faster response time from a local police department by going with Sea Isle City.” He also finds that the State Troopers have said they can meet the response times necessary, further that the Fire Chief in Strathmere has made requests in the past for the Township to use Ocean City Rescue and not Sea Isle City Rescue, and has also requested that Upper Township use Ocean City’s 911 Dispatch and not Sea Isle City Dispatch. Another positive for Strathmere is there would be an increase to trash pickup.

Social benefits of having a homogenous community will be detrimental to the residents of Strathmere. By homogenous he means there is a number of somewhat affluent, well established individuals that own a number of the homes. He feels that the diversification with different locations throughout the Township is of great value to the entire Township as a whole. Just as we welcome higher based rated properties in Strathmere and the beautiful seashore community, it is a good mix between what exists between the homes in Beesleys Point, Tuckahoe, Seaville, and so on. He stated that there is no question that there is a lot of high valued real estate in Strathmere. “One of the reasons is because they have a unique community, they have strived to keep it as open as possible, strived to keep density out, they have continuously strived to not have duplexes put in, continuously requested the Township to not put sewers there so they could enjoy the unique community they have. A unique community on the seashore coast is naturally going to increase the price and value of the community. You can’t maintain this type of community, its history, the openness, remain untouched by the wrecking ball and construction seen in so many other towns without driving the price up. That’s why the ratables are what they are.”

“Keeping this heterogeneous community makes sense for the residents of mainland and Strathmere. There are not many children that live in Strathmere at this time but we don’t know what the future holds, there could certainly be families moving in to the area and those children deserve this diversity, as well as be able to enjoy and take part in the recreational and activities available on the mainland, and the mainland kids deserve to take part in recreational activities the island offers.”

“Strathmere represents approximately a half square mile of area, the mainland is more that 60 square miles. This means Strathmere makes up less than 1% of the Township but it’s significant because it makes up 17% of the ratables for the Township. We have to be cognizant of that. The Planning Board meetings and reports made us aware of other items as well. There were valid issues of drainage, issues with beach replenishment, and struggles with the NJDEP over the years.” He stated that he looks forward to having that rectified in the very near future. When there were emergencies in Strathmere he feels the Township did everything positive that needed to take place. There was testimony that the Township was “reactive” rather than “proactive”. He would argue that one of the ways to be proactive was to overcome some of the barriers put in place. The Township worked hard to put a rock groin in place at the inlet which was a result of the state failing to take care of their beach management responsibility. School taxes will rise by 19.7%. Anyone owning a home valued at \$350,000, on the mainland would pay an additional \$700. He does not see how that can be justified. He just went through a budget with no local purpose tax, a school board budget that failed and was brought down to zero, and how can he turn around and vote for something that is going to cause a \$700 increase. He has been

working with his colleagues to have no increase in taxes. The tax rate would increase 20 cents for every \$100 of assessed value. The public just voted against a 4 cent school tax increase. He cannot imagine that the public would vote for this increase.

Mayor Palombo said there would be a detriment to bonding capacity of the Township. This year the Township bonded a project totaling six million dollars to put sand on the beaches of the very island that wants to leave.

Strathmere has said the mainland does not understand the Island. He grew up in North Wildwood and has lived in Cape May County his whole life. He understands islands.

Our Township emblem is a boat sailing on the water, this a culmination of the whole Township, he does not want to see that change.

What is also interesting to note is that there were a lot of individuals who say they complain to the Township, but yet the records reflect one of the biggest issues was the parking in Strathmere. The Township has been responsive to this including repainting parking lines and shutting down parking areas based on requests from the fire company. There are residents who take advantage of this by marking the whole front of their home as driveway, which may be against code. He does not know if these residents have been cited for doing so but wanted to make the public aware of this.

Upper Township has made great efforts to address problems that exist in Strathmere.

There has been a lot of talk about major storms, present storms, and yet the person who had been basically the delegate of Strathmere, Ms. Burgess, complimented the Committee on their efforts. He stated he can't help but believe the issues that have been pointed out were done so as a result of the reval and the substantial increase the individuals faced because of it. "The fact is your house is worth what they are worth. Everybody was assessed a certain value. If every home in Upper Township is assessed what Strathmere is they would pay the same amount in taxes. It is not that Strathmere pays more and Beesleys Point pays less – its that the value of the home in Strathmere are worth more." The Mayor stated that he lives in Beesleys Point, and "if Beesleys Point decided to deannex, who gets all the gross energy receipts tax? If they started their own community that wouldn't be a bad idea – but that is not what it's all about. Its about running a community that has a very diverse amount of villages and sections of the whole township – making it what it is. The Township committee worked hard to make this Township second in the state of desirable places to live and they will continue to do that. Therefore its difficult to vote yes for deannexation." He stated that he served on Planning Board and was party to all the meetings but yet he took the time to review the reports and documentation to be sure he didn't miss something. He just cannot see Deannexation as a viable best interest for either the Strathmere or mainland residents.

There were no further comments.

Deputy Mayor Curtis Corson made a motion to deny the petition for deannexation of Strathmere. Frank Conrad seconded the motion with all five Committee members voting in the affirmative to deny the petition.

ADJOURNMENT

There being no further business this evening the meeting was adjourned at 9:30 P.M.

Minutes prepared by

Wanda Gaglione, RMC
Municipal Clerk