**Minutes of the Special**

**Meeting of the 2017 Council of the**

**City of Linden, held Thursday**

**June 8, 2017**

A special meeting of the 2017 Council of the City of Linden, was held in the Council Chambers in the City Hall on Thursday, June 8, 2017 at 6:40 pm. The meeting was called to order by Council President Jorge Alvarez and she announced that the notice of this meeting stating the date, place and time, has been disseminated as required under the Open Public Meeting Act, Chapter 231, P.L. 1975.

The Clerk noted that the purpose of the special meeting were for the public hearing on Ordinances#61-36 and #61-37, consideration of resolutions pertaining to the preparation and mailing of estimated tax bills, and amending an agreement with Linden Cogen Holdings, LLC.

The Clerk rendered the opening prayer, after which the members of the Governing Body and the persons in attendance saluted the flag.

Council President Jorge Alvarez informed those present of the proper procedures for exiting the room in the event of an emergency.

Council President Jorge Alvarez asked all members of the public, wishing to speak during the public comment session to please sign in on the sign-in white sheets provided in the front of the room.

Council President Jorge Alvarez asked all to place their cell phones on vibrate, and if they must take a call to please leave the room to do so.

A roll call showed the following members were present:

**ROLL CALL**

Councilwoman Lisa Ormon

Councilman Barry Javick

Peter Brown

“ Monty Brooks

Councilwoman Cosby-Hurling

Councilman Robert Sadowski

Councilman Ralph Strano

Councilwoman Michele Yamakaitis

Councilman Armando Medina

Councilwoman Gretchen Hickey

Council President Jorge Alvarez

Mayor Derek Armstead

**ORDINANCE ON HEARING**

President of Council Jorge Alvarez announced that this is the date designated for the hearing and

further consideration respecting an ordinance entitled:

**#61-36** An ordinance to amend and supplement Chapter XVIII sewer and water, of an ordinance entitled, an ordinance adopting and enacting the revised general ordinances of the City of Linden, 1999, passed November 23, 1999 and approved November 24, 1999, and as amended and supplemented.

DELETE Section 17-9 Sewer Connection fees for new users or increased flow in its entirety.

ADD New section 17-9 sewer connection fees for new users or increased flows for residential, commercial and industrial.

President of Council Jorge Alvarez announced that the hearing was now open, that all persons interested would be given an opportunity to be heard concerning the Ordinance and the Clerk will read the Ordinance. Thereupon President of Council Jorge Alvarez inquired if there were any written objections.

None were presented and the Clerk stated that therefore none had been received. President of Council Jorge Alvarez inquired if there was anyone who desired to be heard concerning the Ordinance read by the Clerk.

There being no persons wishing to be heard, Mrs. Cosby-Hurling moved that the hearing be closed and the ordinance be adopted. The motion was seconded by Mr. Strano and on a roll call vote the foregoing ordinance was unanimously ordered approved.

President of Council Jorge Alvarez announced that this is the date designated for the hearing and

further consideration respecting an ordinance entitled:

**#61-37** Ordinance of the City of Linden approving the application for a long term tax exemption and authorizing the execution of a financial agreement with SRV 1 Urban Renewal LLC and SRV 2 Linden Urban Renewal LLC.

President of Council Jorge Alvarez announced that the hearing was now open, that all persons interested would be given an opportunity to be heard concerning the Ordinance and the Clerk will read the Ordinance. Thereupon President of Council Jorge Alvarez inquired if there were any written objections.

None were presented and the Clerk stated that therefore none had been received. President of Council Jorge Alvarez inquired if there was anyone who desired to be heard concerning the Ordinance read by the Clerk.

Dennis Valvano, 1341 Raritan Road, Scotch Plains. Mr. Valvano stated, for the record, that his business address is 515 N. Wood Ave., Linden. Mr. Valvano noted that he pays about $200,000.00 in real estate taxes, in Linden and stated that he did not think this agreement gets the City to where it needs to be, and explained why. He noted the amount of debt payments the City is making and the amount of money the amount that the agreement will net the city, when it is implemented. He noted that the deal is at the minimum allowed by the State, but that it can be more. Mr. Valvano felt that the deal should be re-negotiated for a higher amount, and questioned the process that was used to select a developer for the site. He provided numbers, from other projects, to make his point that the amount was too low. He urged Council to make a better deal for the City and for the taxpayers.

Mr. Brown responded speaking about the bonds for the project, the cost of financing, and the reasons for doing a PILOT agreement. He added that the cost of the debt service was about $8 million and the PILOT, when completed would bring in $11 million. Mr. Brown explained that the agreement would also cap the City’s exposure for an environmental cleanup that had to be done. In his opinion this project was better than no development at all.

Mr. Valvano stated that he did not believe this project was advertised in a way that allowed other potential developers, with an interest to compete for the project.

Mrs. Cosby-Hurling – Noted that the project was in her neighborhood, and the lack of development in the area. She spoke about the litigation with the previous developer. She noted that she had concerns, explained them and that she could not whole heartily support this agreement.

Mrs. Ormon spoke about having grown up in this neighborhood, the types of businesses that had been there in the past, and the need to get this project moving. She explained the reasons why this project had to get moving, and added that we are bleeding money every year that we sit on the site.

Mr. Brown – Stated that the City has spent $4.4 million in debt service, on this site, with no redevelopment taking place. He spoke about the failure of the other development proposed for the site, and the reasons for that failure. Mr. Brown noted the work that was done by the City’s Financial Advisors, in vetting the project, and this agreement.

Mr. Valvano agreed that the project will help the neighborhood, but disagreed with the concept that something was better than nothing. He suggested that the project be put back out there, marketed properly, and that would bring the City $20,000.00 per unit.

There being no further persons to be heard, Mr. Strano moved that the hearing be closed and the ordinance be adopted. The motion was seconded by Mr. Sadowski and on a roll call vote the foregoing ordinance was ordered approved, with all voting in favor, except Mr. Brooks, Mrs. Cosby-Hurling, Mrs. Hickey, and President Alvarez who voted no. In voting yes, Mr. Medina commented that it is a depressed area, and in need of development. In voting no, Mrs. Hickey stated that she was all for developing this area, but wanted to make sure the numbers add up and that we cover our debt service. She added that she was voting for what she believed was in the best interest of the City and the taxpayers.

**RESOLUTIONS**

**PUBLIC COMMENTS WILL BE PERMITTED FOR THOSE SPECIFIC RESOLUTIONS TO BE REMOVED FROM THE CONSENT APPROVAL. PLEASE READ THE SYNOPSIS OF THE RESOLUTIONS, WHICH HAVE BEEN PREPARED BY THE CITY CLERK’S OFFICE. EACH IS INFORMATIVE AND SELF-EXPLANATORY. HOWEVER, IF YOU WISH TO ADDRESS A SPECIFIC RESOLUTION, THE COUNCIL, WILL ENTERTAIN QUESTIONS ON IT.**

Mr. Strano moved for approval of resolutions #2017-224 through 2017-226. The motion was seconded by Mrs. Yamakaitis and was unanimously ordered approved by a roll call vote.

**RESOLUTION: 2017-224**

**RESOLUTION RESCINDING RESOLUTION#-2017-219**

**P.L. 1994, C.72**

**WHEREAS,** the City Council of the City of Linden does not have an adopted City of Linden Budget for 2017 and the City of Linden has not received a certified tax rate from Union County as of this date, the City of Linden Tax Collector will be unable to mail the City of Linden’s 2017 tax bills on a timely basis; and

**WHEREAS,** the City of Linden Tax Collector, in consultation with the City of Linden Chief Financial Officer, has computed an estimated tax levy in accordance with N.J.S.A. 54:4-66.3, and they have both signed a certification showing the tax levies for the previous year, the tax rates and the range of permitted estimated tax levies;

**WHERAS,** The Chief Financial Officer and the Tax Collector were able to reduce the estimated Tax Rate and must rescind Resolution#-2017-219 and a new resolution is required to be submitted and approved.

**RESOLUTION: 2017-225**

**RESOLUTION AUTHORIZING THE CITY OF LINDEN TAX COLLECTOR**

**TO PREPARE AND MAIL ESTIMATED TAX BILLS IN ACCORDANCE WITH**

**P.L. 1994, C.72**

**WHEREAS,** the City Council of the City of Linden does not have an adopted City of Linden Budget for 2017 and the City of Linden has not received a certified tax rate from Union County as of this date, the City of Linden Tax Collector will be unable to mail the City of Linden’s 2017 tax bills on a timely basis; and

**WHEREAS,** the City of Linden Tax Collector, in consultation with the City of Linden Chief Financial Officer, has computed an estimated tax levy in accordance with N.J.S.A. 54:4-66.3, and they have both signed a certification showing the tax levies for the previous year, the tax rates and the range of permitted estimated tax levies;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINDEN,** in the County of Union and State of New Jersey on this 8th day of June, 2017 as follows:

1. The City of Linden Tax Collector is hereby authorized and directed to prepare and issue estimated tax bills for the City of Linden for the third installment of the 2017 taxes on or before June 30, 2017.

2. The entire estimated tax levy for 2017 is hereby set at

$183,257,185.93, with an estimated rate of $6.771.

3. In accordance with law the third installment of 2017 taxes shall not be subject to interest until the twenty-fifth calendar day after the date the estimate tax bills were mailed. The estimated tax bills shall contain a notice specifying the date on which interest may begin to accrue.

**RESOLUTION: 2017-226**

**RESOLUTION APPROVING AND RATIFYING A SECOND AMENDMENT TO AN AGREEMENT BETWEEN THE CITY OF LINDEN AND LINDEN COGEN HOLDINGS, LLC**

**WHEREAS,** the Parties entered into the Agreement between The City of Linden (“Linden”) and Linden Cogen Holdings, LLC (“Cogen”) dated as of March 17, 1992, regarding host community benefit and real estate assessment (“Original Agreement”); and

**WHEREAS**, on August 1, 2001, the City and Cogen, along with Bayway Refining Company, entered into a Memorandum of Understanding Amending the "Agreement Between the Linden and Cogen" for the purpose of fixing the host community benefit and the real estate assessment on an additional facility (“First Amended Agreement”) and extending the Original Agreement by five years;

**WHEREAS**, pursuant to the First Amended Agreement, paragraph 1.1, the Original Agreement was extended to June 30, 2017; and

**WHEREAS,** the Parties wish to further extend the date of termination of the Original Agreements and First Amended Agreement from June 30, 2017 to December 30, 2017 for the purpose of negotiating an extended long term agreement addressing the fixing of property tax payments.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINDEN** as follows:

1. The City Attorney and/or his designee are hereby authorized to execute the Second Amendment to Agreement Between Linden and Cogen.

2. This Resolution shall take effect immediately.

**PUBLIC COMMENT**

President Alvarez stated the rules under which public comment would be permitted. There were no members of the public wishing to speak.

Mr. Brown moved to close the public comment session. The motion was seconded by Mrs. Ormon and was unanimously ordered approved by a roll call vote.

President Alvarez stated that he wanted to say hello to Jimmy, from South Stiles St., and spoke about the individual’s qualities.

There being no further business to come before the Governing Body Mrs. Cosby-Hurling moved to adjourn the meeting. The motion was seconded by Mr. Strano and was unanimously ordered approved by a roll call vote. The meeting was adjourned at 7:13 pm.

Respectfully submitted,

Joseph C. Bodek

City Clerk