

**VERNON TOWNSHIP COUNCIL
SPECIAL MEETING
February 7, 2008**

The Special Meeting of the Township Council of the Township of Vernon was convened at 7:12 p.m. in the Vernon Municipal Center, Church Street, Vernon, New Jersey, with Mayor Austin Carew presiding. There were 43 interested persons in attendance.

STATEMENT OF COMPLIANCE

Adequate notice of this meeting was provided on January 29, 2008 by delivering to the press and posting at the Municipal Building pursuant to the provisions of the Open Public Meetings Act. The purpose of this meeting is for McAfee/Legends Redevelopment.

ROLL CALL OF MEMBERS

The roll call of members was called and James Oroho, Glenn McLaughlin, and Austin Carew answered the call. Also present were Melinda Carlton, Manager, and Michael Witt, Township Attorney. It should be noted that Rich Carson and Neil Desmond notified the office that they would not be able to attend the meeting.

SALUTE TO THE FLAG

The Mayor led the assemblage in the salute to the flag.

OPEN THE MEETING TO THE PUBLIC

The Mayor opened the meeting to the public for any questions and/or comments. There being no interested party, the Mayor closed the meeting to the public.

PRESENTATIONS

McAfee/Legends Redevelopment – Bob Benecke, Consultant, and Fred Suljic, Township Planner. Mr. Benecke stated when the Township Council last met with respect to the Town Center Redevelopment the outstanding question was the status of the McAfee Village Redevelopment Area, specifically the two component parts—Legends, Block 231.01, Lot 1; and Shinnihon’s Golf Course. The Planning Board adopted a resolution on May 31, 2006 pursuant to the local redevelopment and housing law recommending that the council declare McAfee Village and the golf course area as an area for redevelopment, which the council supports. The decisions were based on the property owners (including the contract property owners), Planning Board, and legal advice to separate the original area into two areas because of the unique characteristics of the Legends property. The solution was to tie the Legends property owners to a permanent investment in excess of \$100 million in the project as well as protecting the township’s interest. Mr. Benecke said the council received a copy of the November 15, 2007 draft redevelopment ordinance. He addressed the following changes to the draft: *Page 5 objectives were added; page 9 and 10 modifications were made to the maximum building coverage to include 255,000 square feet but not to exceed 290,000 square feet. “Time-share” units are not to be used as a principal residence; language in the ordinance ensures that any resident property rights that were filed approximately 20 years ago are maintained. There would be no more than 315,000 square feet including commercial space, indoor amenity space, physical plant, interior public space, and an indoor water park. The Redevelopment Plan would provide sufficient space in appropriate locations for a variety of agricultural, residential, recreational, and commercial uses while maintaining the rural and mountain character of the Township as well as protecting the sensitive areas.* Mr. Benecke said any single family estates that were part of the Zoning Board of Adjustment application would be dropped upon the approval of the site plan application. *The language on pages 12 and 13 was expanded to include the indoor/outdoor recreation uses, and shall include an analysis of the impact of the plan on the Township’s COAH, affordable housing obligation. Page 17 prohibited illuminated signs, and included the exception of the preexisting condominium units created in 1992, that these units shall be primarily transient in nature. Page 18: No entity other than the property owner will be appointed as developer of the property, provided*

that the property owner and the Township of Vernon use their best efforts to execute a redevelopment agreement prior to July 31, 2008 setting forth the terms and conditions of the McAfee Village Commercial Resort Redevelopment Agreement. If everyone negotiates in good faith, the agreement would not have to include eminent domain, but it could be added later, Mr. Benecke stated. *Page 21: the township would not enter into the eminent domain condemnation of the property at this time.* Bob Benecke responded to Austin Carew's comments on the water park, hotel, and vacation homes as to how they could have an impact on the development. The Planning Board conducted three meetings, July 18, August 15, and October 10, 2007, to receive further input from the property owners and the general public. Fred Suljic said Legends is an existing site with the least amount of steep slope disturbance. A decision needs to be made so the project can move forward; it would be a tremendous help, financially, to the township, Mr. Suljic said.

In attendance on behalf of Metairie Corporation were Thomas Collins, Attorney with Vogel, Chait, Collins, and Schneider; Ben Harris, Attorney with Miller, Hamilton, Snider, and Odom; John Buonocore, Jr., Attorney with McKirdy and Riskin; Stanley Forrest, Architect; David Savage, Engineer with Clough Harbor and Associates; and Amin El-Rachman, Northeast Aquatic Design and Construction Specialist.

Stanley Forrest gave a Power Point presentation on the proposed Legends Hotel addition. The intent is to take the original 672 hotel single units and create efficiency, one-, two-, and three-bedroom units to accommodate families attending the water park. The existing core building is 268,870 square feet. Other features added on include the new structure, combined convention space, ballroom, banquet space, physical plant, other indoor amenities, and the proposed 90,000-square-foot water park (to be constructed in the rear of the current building). Amin El-Rachman said the water park would be constructed where the current outdoor pool is located. The impervious surface would not change more than a few percent. Austin Carew asked if the plans for the water park are different, and Mr. Forrest said yes, and there is a 32-month completion time from the date of approval. The building will be built with a high-quality design similar to the Appalachian Hotel. Fred Suljic asked if hospital facilities are proposed, and Stanley Forrest said there is space to do different types of medical facilities without the emergency components, but it is still under discussion. The site will contain 900 to 1,000 parking spaces. Paulus, Sokolowski and Sartor, Engineers, evaluated the existing wastewater treatment plant at the Legends Hotel in order to upgrade the plant to pump 350,000 gallons per day. The most current New Jersey Pollutant Discharge Elimination System requirements for phosphorous have been reduced from 1.0 to 0.1 mg/L. The phosphorus reduction system will cost \$500,000. Melinda Carlton asked for clarification to the additional sewage capacity that would be available for development in Vernon. Stanley Forrest said the system would be used by Legends, the water park, and other proposed developments, including the Town Center. Stanley Forrest stated there would be a construction management team onsite. Fred Suljic asked if Legends is proposing to do anything with the "bunny huts," which are in deplorable condition, and Mr. Forrest said the developers would remove the structures but try to maintain the foot-print for future use.

David Savage, Engineer, and Amin El-Rachman, Northeast Aquatic Design and Construction Specialist, gave a presentation on indoor/outdoor water parks that they built throughout the country. Most parks have a theme that is established with the resort until it undergoes renovation then at that time the name would be changed. Water parks do not have to relate to the season, but rather how many people attend them. Austin Carew asked if two indoor water parks would be profitable to the township, and Mr. Savage said in his personal opinion it would work. It is basically related to how many kids there are and availability of lifeguards. Mr. El-Rachman said water parks and hotels have to be built within 200 miles of major cities to draw the crowds. David Savage displayed examples of seven water parks built from Nevada to Orlando, Florida. Mr. El-Rachman said there are 164 hotels with indoor water parks in the United States, and 288 in the planning stages. The benefits of a water park are revenue, taxes, associated businesses, and employment year round. A lengthy discussion ensued as to how many people would be allowed at the park. No definitive answer could be provided; however, the attendance would be regulated.

The Mayor opened the meeting to the public for any comments and/or questions on this presentation.

Gary Martinsen. He asked if the layout of the site is accessible to emergency

crews. He commented that the design and theme of the water park need to be an “eye-catcher” to draw a crowd of people from different parts of the world.

Jarvis Hawley. Mr. Hawley asked if the emergency services (EMS, fire and police) were contacted to get their input.

Andrew Mulvihill. Mr. Mulvihill stated his family owns 600 acres surrounding the 40+ acres of the Legends site. Mr. Mulvihill asked if the council could consider working on the two ordinances concurrently to avoid overlaps and inconsistencies on the two projects.

Thomas McClachrie. He asked if the town would be secured from any COAH obligations. Mayor Carew said the township’s expert, Stuart Koenig, would be looking at the situation. Mr. Collins said that since the number of units will not increase there would not be any COAH obligations. Mr. McClachrie asked if there were any timeframes that the applicant would be accountable for. Bob Benecke said there would be definite goals and timelines included in the ordinance.

Robin Baron. She asked if present time share owners would have the right to use the water park and its amenities. No one had an answer, but if Robin Baron gave the consultants a copy of her deed they would give her an answer. Bob Benecke said he would like a copy as well. Thomas Collins commented the Interval International Time Sharing Resource letter is for certain limited improvements to the hotel. The Redevelopment Agreement with the Township Council will only happen if the ordinance is adopted. Austin Carew stated the council members want to be sure the timeshare owners are dealt with fairly, and the consultants said they would be.

Jerry Levy. He asked if the Redevelopers Agreement will be available online for the public to see prior to the township entering into that agreement. Thomas Collins said before the agreement is approved by the council there would be a public hearing.

Audrey Hawley, timeshare owner. She asked if Interval International will be there to inspect the renovations that were supposed to be done by March 31, 2008. She asked what will be done with the shelter residents. Will the township require a performance bond for the entire project after approvals are granted? Bob Benecke said that is an issue to be resolved between the owner and the tenants. Audrey Hawley commented that she does not want to see this become an incomplete project. She thought it was terrible the way they had been lied to and she sees it continuing.

There being no further comments and/or questions, the Mayor closed the meeting to the public.

John Buonocore, Attorney. Mr. Buonocore stated he was involved in redevelopment all over the state. He cautioned the council against putting timelines and due dates in the ordinance.

Ben Harris, Attorney. He said that the property has been in litigation between partners for a long period of time, which has hampered the project. Some of the litigation has dissipated. Mr. Meyers has deposited millions of dollars into the property. James Oroho stated at a previous meeting the council asked if Legends could provide a list of money spent on the infrastructure. To date, the council has not received a copy. Mr. Harris said spreadsheets would be provided.

Thomas Collins, Attorney. Mr. Collins asked if the council could provide a date for first reading of the ordinance. Austin Carew said the Township Manager would keep them updated.

EXECUTIVE SESSION

At this time, James Oroho made a motion to close the meeting to the public and enter executive session to discuss attorney-client privilege and negotiations. The motion was seconded by Glenn McLaughlin, with all in favor.

RESOLUTION

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975

permits the exclusion of the public in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist;

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Vernon as follows:

1. The public shall be excluded from discussion of and action upon the hereinafter specified subject matter.
2. The general nature of the subject matter to be discussed is attorney-client privilege and negotiations.
3. It is anticipated that the above-stated subject matter will be made available when deemed appropriate.
4. This resolution shall take effect immediately.

The meeting was reopened to the public at 10:36 p.m. The Mayor said they discussed attorney-client privilege and negotiations.

ADJOURNMENT

There being no further items of business on the agenda, a motion was made by Glenn McLaughlin to adjourn the meeting and the motion was seconded by James Oroho, with all in favor.

The Special Meeting of the Township Council of the Township of Vernon was adjourned at 10:39 p.m.

Respectfully submitted,

Patricia A. Lycosky, R.M.C.
Township Clerk

Presiding Officer