

STATE HOUSE COMMISSION
PROPOSED MEETING AGENDA

October 20, 2016 - 9:00 am

Committee Room 4, First Floor
State House Annex, Trenton, New Jersey
Email: StateHouseCommission@treas.nj.gov

CALL TO ORDER:

- ~ Amy E. Melick, Deputy Chief Counsel, Governor's Office
(on behalf of Governor Chris Christie)
- ~ Beth Schermerhorn, Assistant State Treasurer
(on behalf of State Treasurer Ford M. Scudder)
- ~ David Ridolfino, Acting Director, Office of Management & Budget
- ~ Senator Gerald Cardinale
- ~ Senator Bob Smith
- ~ Assemblyman Paul D. Moriarty
- ~ Assemblyman David P. Rible

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OLD BUSINESS:

1. Approval of the June 30, 2016 State House Commission Meeting (SHC) Minutes -- The verbatim record of the June 30, 2016 SHC meeting will serve as the official minutes.
2. Project: RPR 92-01, William Paterson University, Township of Wayne, Passaic County

Requesting Party: The NJ Department of Treasury, on behalf of William Paterson University, requests approval to renew a lease between Public Service Electric & Gas Company (PSE&G) and William Paterson University (formally William Paterson College). The current lease agreement covers a 100' by 100' parcel of vacant land together with an access road, for the construction of a self-supporting communication tower as well as a modular building. The original lease was for a term of twenty five (25) years, with two (2), ten (10) year renewal options. The original twenty five (25) year term is expiring and the lease states that "any renewal shall be subject to the approval of the State House Commission".

Terms: It is recommended that the State House Commission approve the request for William Paterson University to renew the lease with PSE&G for a ten (10) year term upon all of the same terms and conditions. More specifically, In lieu of market rent, PSE&G will continue to provide the University with space on the tower necessary to support 6 dish

antenna, twenty (20) radio and tv antenna and up to 200 square feet of space in the modular building.

3. RPR 16-09, East Hall-Former Hagedorn Psychiatric Hospital, Block: 9, Part of Lot: 7, Lebanon Township, Hunterdon County

Requesting Party: The NJ Department of the Treasury seeks State House Commission approval to amend a lease to Malvern Institute Hunterdon County, LLC, to include as permitted uses elder care, geriatric care, assisted living, independent living, psychiatric, mental health and behavioral health services in addition to the rehabilitation and addiction services originally approved at the March 14, 2016 State House Commission meeting.

Terms: Previous terms, conditions and provisions of the lease remain the same.

4. RPR 07-14A thru 07-17D, East Jersey State Prison, Block 908, part of Lot 10, Woodbridge Township, Middlesex County

Requesting Party: The NJ Department of Treasury seeks State House Commission approval to amend the deed approved by the State House Commission at its June 16, 2014 meeting for the direct sale of 15.5+- acres of land and improvements located at the East Jersey State Prison to Woodbridge Township. At the time the Township proposed a site that is largely occupied by up to 100 apartments and a recreation use that would include an indoor soccer complex. Deed restrictions were placed on the property. It is now requested that the deed restriction stating that the use of the property for recreational use will include an 'indoor soccer complex' be changed to "outdoor recreational complex". This change in use is due to a large area of wetlands that will not allow for the construction of an "indoor soccer complex".

Terms: The remaining restrictions remain in full force and effect. Upon approval by the State House Commission a corrective deed will be prepared and recorded.

5. Project: Route 10, Section 4, Parcel VX4B, Block 100, adjacent to Lot 18, Township of Livingston, Essex County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting approval to convey parcel VX4B, having an area of approximately 1,955 sf. to KRG Livingston, LLC, for Twenty Five Thousand (\$25,000.00) dollars.

Terms: The conveyance of parcel VX4B was originally approved at the June 30, 2016, State House Commission Meeting for Twenty Three Thousand (\$23,000.00) dollars. At that time the parcel was noted as having an area of approximately 1,763 sf. It was subsequently determined that the parcel area contains 1,955 sf, which resulted in a higher appraised value of Twenty Five Thousand (\$25,000.00) dollars.

6. Project: Brendon T. Byrne State Forest, Block 897, part of Lot 1.01, Pemberton Township Burlington County

Requesting Party: The NJ DEP/State Park Service requests approval to execute a seven (7) year lease agreement, with options to renew for two (2) additional five (5) year terms with J.J. White Inc. ("Tenant"). The Tenant approached the NJDEP and expressed a willingness to enter into a longer term farm lease agreement in order to invest in new cultivars of blueberry plants which require five (5) years of growth before they are at maximum fruit production. The NJ DEP has a current lease agreement with the Tenant on adjacent property that grants the Tenant the exclusive right to use the available water supply sources for the production of cranberries. The NJ DEP, Office of Leases and Concessions requested this item be tabled at the June 30, 2016 State House Commission meeting to allow time to research questions raised by the members about the Tenant's use of adjacent lands.

Terms: The annual rent for this lease agreement will be \$1,320.00 for each year of the initial lease term (for a total of \$6,600.00 for the initial lease term). The NJDEP offered the farmland to the Tenant with an established annual rent using the soil rental rates set by the Farm Service Agency (FSA) of the United States Department of Agriculture, discounted by twenty (20) percent to account for the disadvantages of farming on park lands.

NEW BUSINESS:

DEPARTMENT OF TREASURY REQUESTS:

7. Project: RPR 15-04, North Jersey Developmental Center, Totowa Borough, Passaic County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, requests approval to dispose of the property known as the North Jersey Developmental Center, which has been declared surplus to the department's needs. It has been determined that an auction process is not suited to the disposition of this property due to complex redevelopment concerns. Therefore it is recommended that a modified sales approach, as set forth on the attached Memorandum of Understanding would likely result in a more efficient disposal and cost savings to the State, as well as assist the Borough of Totowa to more directly manage its economic redevelopment. The State will sell the property to the Borough who, in turn, will immediately convey the lands to the designated redeveloper.

Terms: The appraised value of the property is based upon the land being cleared of all improvements and environmental conditions. The estimate for demolition and environmental cleanup is \$10,051,000. The minimum bid requirement would be \$4,449,000 which is the difference between the appraised value of \$14,500,000 and the estimated demolition costs and environmental cleanup of \$10,051,000.

8. Project: RPR 16-15, 1944 E. Landis Avenue (Vineland Developmental Center-East Campus) Block 3201, part of Lot 1, City of Vineland, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, requests approval to lease a house on the grounds of the east campus of Vineland Developmental Center to Big Brothers/Big Sisters of Cumberland and Salem Counties, a non-profit organization. Big Brothers/Big Sisters provides mentoring and counseling services to at risk children who are without a family support system. Big Brothers/Big Sisters has been leasing this property from the State since 1997. The original lease was approved by the State House Commission at its meeting of May 22, 1997. That lease and all renewals will soon expire and a new lease must now be approved.

Terms: Since this lease directly benefits the State, the lease shall be for a term of five (5) years with three (3) five (5) year renewal options at an annual rent of \$1.00 upon all of the same terms and conditions. The tenant shall continue to be responsible for all utilities and maintenance associated with the property.

9. Project: RPR 17-01, Vineland Developmental Center – West Campus (860 N. Orchard Road), Block 2101, Lot 53, City of Vineland, Cumberland County

Requesting Party: The NJ Department of the Treasury, on behalf of the NJ Department of Human Services, recommends the conveyance of the Vineland Developmental Center-West Campus to the City of Vineland. The property consists of 60+- acres of land improved with former Department of Human Services buildings that have been vacant for over five (5) years notwithstanding efforts to both sell and lease the campus. The property is now in need of demolition. The appraised value is \$1.00 based on the “as-is” condition of the campus. This value includes the estimate of demolition of the buildings and environmental cleanup which range from \$2,000,000 to \$3,000,000.

Terms: The City of Vineland has agreed to take on any and all added risks associated with the clearing and environmental cleanup of the site. This transfer will benefit the economic development of the City and will eliminate carrying costs and liability risks to the State, therefore it is recommended that the property be transferred to the City for \$1.00.

DEPARTMENT OF ENVIRONMENTAL PROTECTION (DEP) REQUESTS:

10. Project: Wildcat Ridge Wildlife Management Area, Block 20001, part of Lot 3, Township of Rockaway, Morris County

Requesting Party: The NJDEP/Division of Fish and Wildlife is requesting approval to

convey approximately 0.073 (+-) acres of land in fee from the Wildcat Ridge Wildlife Management Area to Daniel Luzzi, an adjoining landowner, to resolve an encroachment that existed at the time of State acquisition of the property.

Terms: The proposed sale price is \$32,000. In lieu of requiring an appraisal for the proposed conveyance property, which is less than 0.1 acre in size, NJDEP Green Acres appraisal staff conducted a review of equal assessed land value as well as recent sales information in the vicinity of the proposed conveyance property in order to arrive at the sales price.

11. Project: Cape May Point State Park, Block 792, Lot 8, Township of Lower, Cape May County

Requesting Party: The NJDEP/Division of Parks and Forestry is requesting approval to convey approximately 0.115 (+-) acre of vacant, undeveloped land assigned to, but not adjacent to, Cape May Point State Park to the Rutherford family, the adjoining landowners.

Terms: The Rutherfords will require the conveyance to the State of a 0.258 acre of vacant, undeveloped land to the NJDEP. In addition, this land swap will facilitate NJDEP's acquisition of approximately 17.6 acres of nearby land also owned by the Rutherford family as the proposed land exchange will improve road access to the 17.6 acres of land to be purchased by the State. The purpose of this conveyance is to further the preservation and restoration of the Cape May area and the long term goal of expanding and linking Cape May Point State Park and Higbee Beach Wildlife Management Area, both of which are adjacent to the 17.6 acre tract to be acquired by NJDEP.

12. Project: Wyncrest Open Space, Block 147, Lot 13 (now part of Lot 3.02), Borough of Tinton Falls, Monmouth County

Requesting Party: The NJDEP/Division of Parks and Forestry is requesting approval to legalize the unauthorized disposal of 2.46 acres of parkland. In March 2000, the Borough sold the Wyncrest Open Space property to the adjacent landowner for inclusion in an existing car dealership.

Terms: In order to compensate for this unauthorized disposal of 2.46 acres of parkland, the Borough will dedicate for recreation and conservation purposes a 24.6 acre parcel of forested lands located elsewhere in the Borough.

DEPARTMENT OF TRANSPORTATION (DOT) REQUESTS:

13. Project: Route S3, Section 4, Part of Parcel 22D, City of Clifton, Passaic County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting approval to lease a vacant piece of excess land identified as part of parcel 22D of the Route S3, Section 4 project in the city of Clifton, County of Passaic having an area of approximately 142 square feet to the adjoining property owner, 300 Route 3 West, LLC for placement of an identification sign.

Terms: The sign will be limited in size to a maximum height of eight feet (8') and a maximum width of six feet (6') and will require the lessee to obtain all necessary municipal approvals before installation. The Lease is a month to month and the monthly rental is Thirty Four dollars (\$34.00), which is the appraised value, inclusive of the municipal service. The lease rent will increase according to the rent schedule which will be part of the lease agreement.

14. Project: Route 44, Section 5, Part of Parcel 34, Township of Logan, Gloucester County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting to lease the property identified as part of parcel 34 of the Route 44, Section 5 project having an area of about 3,741 sf. and adjacent to Lot 4, Block 1201 in the township of Logan, County of Gloucester to the adjacent residential property owner, Deborah & Thomas Boroughs, for extension of their front yard so that their son can have a greater area to use his motorized wheel chair.

Terms: The proposed lease is a month to month with a monthly rental of Forty Two dollars and fifty cents (\$42.50), inclusive of the municipal services, which is the appraised value and will increase according to the rent schedule which will be part of the lease.

15. Project: Route 4 (now Route 71), Section 20, Parcel VX6B, Borough of Brielle, Monmouth County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting to sell a vacant piece of land, having an approximate area of 3,117 sf., identified as Route 4 (now Route 71), Section 20, Parcel VX6B, in the Borough of Brielle, County of Monmouth, to the only adjacent property owner, 715 Union Avenue, LLC.

Terms: The recommended sale price is Seventeen Thousand Dollars (\$17,000.00), which is the appraised value.

16. Project: Route 92, Section 1, Parcels VXR5B2, VXR5C2 and VX53B, Township of East Windsor, Mercer County

Requesting Party: The NJ DOT, Division of Right of Way, Property Management Unit, is requesting approval to sell a vacant piece of land identified as Parcels VXR5B2, VXR5C2, and VX53B of the Route 92, Section 1 project located in the Township of East Windsor,

County of Mercer and having an approximate area of 1.851 acres (79,061 sf.), to the entity The Blackpoint Group, LLC, who has a contract to purchase the only adjoining property.

Terms: The recommended sale price is Three Hundred Eighty Nine Thousand Dollars (\$389,000.00) which is the appraised value and only after the entity acquires title to the only adjacent property. The consideration of \$389,000.00 will be reduced by Ninety Three Thousand Three Hundred Sixty Six Dollars (\$93,366.00), the appraised value of Parcel X5F1, which has an approximate area of 0.741 acres (32,277 sf.), should the buyer convey Parcel X5F1 to NJDOT. Parcel X5F1 has part of a NJDOT retention basin on it, the balance of the retention basin is on NJDOT property.

17. Project: Route 55, Section 11, Parcel VX90B2B, Township of Franklin, Gloucester County

Requesting Party: The NJDOT, Division of Right of Way, Property Management Unit, is requesting to sell a vacant piece of land identified as Parcel VX90B2B, Route 55, Section 1, project located in the Township of Franklin, County of Gloucester, having an approximate area of 0.092 acres (4020 sf.), to the only adjoining property owner, Vargo Properties, LLC for assemblage to the adjacent residential property.

Terms: The recommended sale price is \$2,000, which is the appraised value

18. Project: Route 280, Section 7, Parcel VX122B & VX123B, City of Newark, Essex County

Requesting Party: The NJDOT, Division of Right of Way, Property Management Unit, is requesting to sell a vacant piece of land, identified as parcels VX122B & VX123B of the Route 280, Section 7 project in the City of Newark, County of Essex having an area of 3,050 (+-) square feet.

Terms: The property will be sold at auction to the highest bidder. The minimum starting bid is Fifteen Thousand Dollars (\$15,000.00), which is the appraised value.

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 June 30, 2016 (page 1970).
2. Confirmation of Death Claims, Retirements and Survivor Benefits (pages 1971 to 1974).

3. Receive Financial Statements from April, 2016 to June, 2016 (pages 1975 to 1980).

EXECUTIVE SESSION

20. Receive legal advice from Attorney General's Office.

OTHER BUSINESS (as necessary)

ADJOURNMENT