



Community Development Background in Lambertville

Purpose of document: As of March 2020, to centralize and make more accessible the existing information and documentation related to discussions that contributed to the creation of the City’s current community development proposals.

I. Budget and Finance	
Need(s)	<ol style="list-style-type: none"> 1. Close the City’s existing structural deficit, which has grown over the last decade. Currently the City has between \$2.5 million and \$4 million of existing financial commitments from prior years’ spending that are currently unfunded. 2. Without a comprehensive multi-year capital plan and budget forecast, it’s virtually impossible to understand the future costs that help drive responsible decision making in the present.
Solution(s)	<ol style="list-style-type: none"> 1. Each of the “Four strategies” (available below in the “further reading” section) must be employed to some degree, with a significant reduction in borrowing. Developing new rateables that will generate new taxes/revenue is a vital component to help reduce what existing taxpayers will have to pay to cover existing cost increases. 2. Although the State only requires a three-year capital plan for a municipality our size, and does not require it to be comprehensive or even followed, the City will be creating a detailed, comprehensive six-year capital plan in 2020 that outlines future needs and goals so that more responsible and informed decisions that will impact the future can be made now.
Additional Information	<p>The City is considering the possible use of Payments in Lieu of Taxes (PILOTs) as an incentive to help spur development and investment in certain parts of the City. For example, the police site currently generates nothing in taxes. Any new revenue created from the development of that site (or a similar site) - whether through taxes or a PILOT - will be a significant financial contribution that does not currently exist. As such, this new revenue will help reduce the tax burden on existing taxpayers in Lambertville.</p> <p>The structural deficit we have was created from years of ad-hoc capital spending beyond the City’s financial means. This was coupled with not increasing taxes or creating new revenues to fund the increased spending. As debt grew, increasing debt payments were made using borrowed money.</p> <p>To assist in cutting costs and not continue to add to the City’s debt service obligations, in 2019, the City reduced the amount of debt authorized by approximately 97% over the prior year.</p>
Further reading	<p>The City prepared and presented detailed information on the budget, finances, and history of borrowing and capital spending throughout 2019 in City Council Meetings. They are an important foundation to understanding the current financial situation and needs.</p> <ol style="list-style-type: none"> 1. All six budget presentations from 2019 City Council meetings

	<ol style="list-style-type: none"> 2. Four strategies of closing a deficit 3. All budget documentation for the City 4. Budget Summary Video from August 2019 hosted by Mayor and Administrator
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II. Affordable Housing

Need(s)	<ol style="list-style-type: none"> 1. An Amended Settlement Agreement with Fair Share Housing Center that has less of a cost and risk to taxpayers and quicker timeline to completion. 2. To meet Council on Affordable Housing (COAH) obligations without over-densifying residential neighborhoods from the use of scattered overlay zones. 3. To meet COAH obligation without impacting local historic landmarks.
Solution(s)	<ol style="list-style-type: none"> 1. This has been accomplished with the execution of a new Amended Settlement Agreement that has: <ol style="list-style-type: none"> a. Significantly reduced cost/risk associated with the City meeting its obligations by removing the condemnation plan which requires private property to be purchased at taxpayer expense/risk. This allows the City to use a publicly-owned property that can be sold/leased generating new tax rateables. b. Replaced the Closson Overlay and partially meet the City’s unmet need obligation through one mixed-income inclusionary development, rather than creating affordable units scattered through the City. c. Included a five unit accessory apartment program that capitalizes on the City’s existing conditional use standards within the Downtown Residential District as an additional replacement to the Closson Overlay.
Additional Information	<p>To comply with the March 10, 2015 <u>Mount Laurel IV</u> decision, Lambertville petitioned to the Superior Court on July 8, 2015 for a declaratory judgment and temporary immunity. These are the legal mechanisms that protect the City from builder’s remedy suits. A builder’s remedy suit can be one of the consequences of a municipality taking no action, or unsatisfactory action. If the challenge is successful, it allows developers to build any type of housing - with no local land use oversight or local input over elements such as density or design - as long as it includes affordable housing.</p> <p>On May 22, 2018, the City executed a Settlement Agreement with Fair Share Housing Center (FSHC) that identified how the City would meet its Third Round Affordable Housing obligation. After the required “Fairness Hearing,” the Court issued an Order on October 11, 2018 stating that the Settlement Agreement was fair to the interests of low and moderate income households, and also set a timeline for the City to take certain actions to ensure compliance with this plan.</p> <p>The City’s prior affordable plans cost taxpayers nearly \$350,000 of professional and</p>

	<p>legal fees between 2015 - 2019.</p> <p>Additionally, the prior plan had the City committed to a multi-million dollar condemnation (purchase of private land at the taxpayers expense) with significant legal risk and cost.</p>
<p>Further reading</p>	<p>The City must adopt a number of documents to effectuate the new Settlement Agreement with Fair Share Housing Center. Here are the documents adopted to date:</p> <ol style="list-style-type: none"> 1. Amended Settlement Agreement <ol style="list-style-type: none"> a. February 4, 2020 Council Meeting Minutes (will be posted pending Governing Body approval on March 19th) 2. Adopted Affordable Housing ordinance (23-2018) <ol style="list-style-type: none"> a. November 5, 2018 Council Special Meeting Minutes b. November 7, 2018 Planning Board Minutes c. November 26, 2018 Council Special Meeting Minutes 3. Adopted overlay ordinance (05-2019) <ol style="list-style-type: none"> a. March 5, 2019 Council Meeting Minutes b. April 2, 2019 Council Meeting Minutes c. April 18, 2019 Council Meeting Minutes d. October 2, 2019 Planning Board Meeting 4. Adopted Affirmative Marketing Plan (171-2018) <ol style="list-style-type: none"> a. November 20, 2018 Council Meeting Minutes 5. Draft Amended Lambertville High School Redevelopment Plan <ol style="list-style-type: none"> a. Ordinance 01-2020 Amending the LHS Redevelopment Plan b. Draft Amended LHS Redevelopment Plan 6. Panel from Community Development Fair

<h3 style="text-align: center;">III. City Facility Deferred Maintenance</h3>	
<p>Need(s)</p>	<ol style="list-style-type: none"> 1. Understand the condition, and current financial commitment to operate in the existing City-owned facilities. 2. Identify the City Department goals and needs to operate over the next six years, and ideally, further into the future. Previously, the City did not plan further than the current financial year. 3. Identify and evaluate the feasibility/cost of meeting operational goals through renovating and rehabilitating the existing buildings. 4. Identify and evaluate the feasibility/cost of meeting operational goals out of a new building (rather than existing buildings)
<p>Solution(s)</p>	<ol style="list-style-type: none"> 1. A preliminary cost evaluation was performed of all City facilities in October of 2019 by Michael Burns, AIA, the City's Architect - the first organized report of the condition of City facilities created in recent history. 2. This is ongoing - In conjunction with the newly formed Community Advisory Team (CAT) we will complete feasibility/cost analysis of meeting the City's and

	<p>Department's needs by renovating and rehabilitating the existing buildings. Some pieces have been completed (such as the Library's visioning survey) while some are in process. All of the feasibility/cost analysis will be reviewed and discussed with the CAT.</p> <ol style="list-style-type: none"> 3. This is ongoing - City staff and professionals are continuing to work on proposed programming/costs of a consolidated municipal space. 4. This is ongoing - In conjunction with the newly formed CAT complete an alternatives analysis of potential locations for a consolidated municipal space that includes site feasibility and cost analysis.
<p>Additional information</p>	<p>The City plans to engage the public with small tours of city facilities that will be discussed in the Community Advisory Team - how best to help the public see the condition and ideas regarding current facilities.</p> <p>The cost estimates for the renovation to City buildings do not take into account several important costs:</p> <ul style="list-style-type: none"> ● Relocation of services during renovation ● Cost of potential overruns from lead, asbestos, etc ● Possible risk of timeline delay with historic renovation
<p>Further reading</p>	<ol style="list-style-type: none"> 1. The budget presentation with facility needs/cost overview 2. The itemized preliminary cost estimates for all City facilities prepared by the City's Architect. 3. The related Panel from CDF