

BOROUGH OF
NEW PROVIDENCE
SETTLED IN 1720

Open Space Referendum – Public Forum

Summary of Questions and Answers

NOTE: The answers to the questions herein are a summary of the comments made during the open space forum. They were not recorded verbatim and should not be construed to reflect the full content of the commentary provided during the public forum. Please view the video – located on the New Providence web-site: www.newprov.org. or click here: <http://vimeo.com/30509566>

The question before voters is:

The question that will appear on the November 8th ballot is as follows:

“Shall the Borough Council of the Borough of New Providence amend the Open Space Ordinance (§70-1) to allow the existing fund and future funds to be used for acquisition of open space and improvements to passive and active recreation facilities?”

The explanatory statement that will appear with the question is as follows:

“The non-binding public question herein proposes expansion of the permitted use of the funds collected in accordance with the Open Space Ordinance (§70-1). In addition to acquisition of open space, improvement to and maintenance of both passive and active recreation facilities, which may include athletic fields, parks, playgrounds, and other similar or related improvements, would be a permitted use of said funds.”

- 1. Will all of the funds currently held in the Borough's Open Space Fund be eligible to be used toward improving recreational facilities?**

The short answer is “yes”, all of the funds would be eligible to be used for improving recreation facilities. However, it is important to recognize that the decision about the expenditure of these funds rests with the Borough Council. The Borough Council represents all residents of New Providence and recognizes there is community interest in both open space acquisition and improvements to recreation facilities. Therefore, it is unlikely that 100% of the fund would be dedicated to either open space or recreation.

- 2. How much currently exists within the Borough's Open Space account?**

Approximately \$650,000

- 3. Are there any minimum amounts that must be set aside within the Borough's Open Space Fund specifically for the purpose of acquisition of Open Space?**

The referendum allows the existing fund and future funds to be used for acquisition of open space and improvements to passive and active recreation facilities. Therefore, no minimums are established in the proposed ordinance.

4. Are the results of this referendum "binding"? If not, what would the remaining process be to actually revise the purpose by which the Funds could be spent?

The referendum is non-binding. While the Borough Council has the legal authority to amend the existing ordinance, historically, they have respected the outcome of this type of referendum. If they decided to amend the existing ordinance, it would require a public introduction of the amended ordinance as well as a public hearing on the proposed ordinance before the ordinance could be adopted.

5. What organization, entity or committee would determine how Open Space Funds could be spent on specific projects?

The Borough Council has established a sub-committee of the council to review recreation facilities and make recommendations about capital improvements. The committee recognizes that all Borough owned facilities are in need of improvements and understands that said improvements would need to be phased in over a number of years. Ultimately, the recommendations will be reviewed by the governing body, which will then decide whether to fund the improvements or not. In addition, the Open Space plan submitted in January of 2006 continues to guide the council on matters of open space acquisition.

6. How does Union County Open Space differ from Municipal Open Space?

The Union County Open Space fund is dedicated to acquisition of Open Space, as well as recreation improvements on county owned properties. The fund is also used for the annual grants to municipalities for the Kids Recreations Trust Fund Grant. The Borough's Open Space fund is currently only used for acquisition of property in New Providence.

7. How much do residents currently contribute to the Municipal Open Space each year? What is the contribution from the average home owner?

The total contribution to the Open Space Fund is currently \$32,500 annually, which represents approximately \$7.00 per year from the "average homeowner", based on \$.0025 per \$100 of assessed valuation.

For information purposes, the "average" home is assessed at \$280,000, which represents a market value of approximately \$550,000.

8. Since its inception, how much open land has the Borough acquired using the Open Space Fund?

In 2009, the Borough purchased the undeveloped lot next to Veteran's Park on South Street. The purchase price of that property was \$300,000. The Borough received reimbursement from the Green Acres Fund of the NJ Department of Environmental Protection of \$212,000. The cost to the Borough's Open Space Fund was approximately \$100,000.

This property is an excellent example of the need for acquiring land and improving it. The lot is currently heavily forested with wooded debris. It would greatly benefit from tree-work and clearing to improve the space for potential walking area; benches, etc.

9. Are there any current plans to acquire any existing Open Space within New Providence?

There are certain criteria established in the Open Space Report for eligible properties in New Providence. We are not currently aware of properties within the criteria that are available at this time. However, there are a number of properties that would be "of interest" to the Borough, based on the Open Space Report should they become available.

- 10. I recall that the Open Space Tax was reduced from \$.01 to \$.0025 on \$100 of assessed valuation, what event triggered this change?**

The reduction occurred in 2008 during an extraordinarily difficult budget season. The purpose of lowering the amount of the Open Space Tax was to help offset unavoidable increases in the municipal budget.

- 11. All Borough property taxpayers contributed to the Open Space Trust Fund. Will consideration be given to improvements benefiting all Borough citizens including senior citizens or will it only be focused on sports?**

As previously discussed, decisions on expenditures of funds resides with the Borough Council. The use of the funds for improvement to and maintenance of both passive and active recreation facilities are for all segments of our population. These improvements might include walking and fitness trails, as well as playgrounds.

- 12. Will the "improvement to and maintenance of both passive and active recreation facilities" be limited to the purchase of land and the improvement and upgrading our open space and parks; or will it also include construction of new buildings, the installation of artificial turf, the expansion of parking lots, the installation of field lights or things other than what would be considered natural open space?**

The explanatory statement provides guidance on this question. The explanatory statement reads in relevant part "...improvement to and maintenance of both passive and active recreation facilities, which may include athletic fields, parks, playgrounds, and other similar or related improvements..." This could be interpreted to include buildings, turf or parking lots.

- 13. Will there be at an "at large" committee who will have jurisdiction regarding the spending of the Open Space Trust Fund tax money or will there be a specific department that exercises control of this money?**

The Borough Council ultimately decides on all spending of tax dollars in New Providence.

- 14. Could Open Space Funds be used to leverage larger capital bond projects (used as a means to borrow more money)?**

Yes, the funds collected annually could be dedicated to service the debt from a larger bond issued used for improvements or acquisition.

- 15. Why was the current Open Space Tax adopted for acquisition only? What is the reason for expanding the usage of the Open Space Tax to include "improvements and maintenance" in addition to "acquisition"?**

We don't know the reasons the original open space tax was adopted for acquisition only. In reviewing most other open space taxes, there are provisions for recreational services/programs/improvements, etc. With \$650,000 available in the fund, some improvements could be made without additional tax dollars being raised for those purposes. In addition, the regular recurring source of revenue could be used to service debt, without additional taxes needing to be raised.

- 16. If the Open Space Referendum passes, what are you going to do with the monies? What are the priorities for its usage? What is the decision-making process for acquisitions, improvements and maintenance?**

As noted in question # 5, the council has appointed a sub-committee to study all recreational facilities in town and prioritize improvements to each facility. In addition, the Open Space Plan provides guidance on issues of open space acquisition. The decision on the improvements and acquisition ultimately rests with the Borough Council.

- 17. Speaking of the sub-committee, how is their work progressing?**

The Sub-committee met on several occasions and the work is progressing. The committee has been in discussion with various stakeholders to identify potential sites where improvement or development could help satisfy the goals of the Recreation Master Plan.

In addition, the council authorized an application to the Union County Kids Recreation Trust Fund for a grant to improve our baseball facilities. The sub-committee was instrumental in identifying these improvements, which will include new fencing and improvement to the infields.

- 18. Will there be guidelines on how the monies are divided between acquisitions, improvements and maintenance? Will there be a minimum balance for opportunistic acquisitions?**

The ordinance does not specify the amounts dedicated to each area of use for the fund. The Borough Council will decide those issues based on factors presented during the deliberations on the subject.

- 19. Didn't the Borough try to expand the usage of the Open Space Tax in 2008? Why did it fail then? Why should it pass now?**

While we can only speculate as to the reasons it failed in 2008, it may have been due to the climate at the time. Recall that at that time there was a proposal to renovate Oakwood Park; however, no funding source was identified. We could speculate that voters believed if approved, the entire fund would be used to only renovate Oakwood Park, leaving all other facilities in their current condition. In the current climate, everyone recognizes several factors: 1) Oakwood park is not the only recreation facility in town. 2) The council has appointed a sub-committee to study all recreational facilities and identify and prioritize improvements to each facility. 3) Residents in New Providence are concerned with both recreation facilities AND open space.

- 20. What's the difference between using an Open Space Tax and using municipal bonds to pay for recreational improvements? Haven't you been funding recreational improvements via the municipal capital budget? Why change the process now?**

Yes, capital improvements have been funded through municipal bonds. Currently, the debt service for these bonds comes from general tax revenue, which contributes to your overall property tax bill. If approved, funding for bonds issued for these purposes could come from the revenue generated from the already collected open space tax. Therefore, with certain limitations, no new taxes would be required to fund these improvements.

- 21. Isn't "maintenance" an operating expense, e.g. grass cutting, lawn mower repair, sprinkler replacement, fertilizer, etc.? Or are you talking about something else? Please clarify.**

During the deliberations of the council on this topic, there was much discussion that routine maintenance would not be considered part of the approved uses of the funds. However, the term maintenance was left in the referendum to deal with more substantial maintenance issues, for repairs with expected life expectancy of more than 5 year. An example might be the maintenance of walking trails.

22. If the referendum is passed, is there a plan to revise/update the Open Space and Recreation Plan to reflect the new ordinance and current Borough priorities?

To date, there have been no discussions at the council level concerning revising or updating the previously submitted plans. However, this is a valid point and excellent recommendation, which would warrant consideration of the council.

23. Will there be a citizen advisory committee to assist council in purchasing property and, if so, will council and this citizen advisory committee be able to report their findings to the municipality?

As noted in the last question, it is possible that the council will ask the citizen advisory committees to revise their plans in light of the change to the ordinance. When that occurs, it would be reasonable to conclude that the council would rely on the updated documents for guidance and would report on anticipated action at a regularly scheduled council meeting.

24. Why not wait to divert the funds until they can be attached to specific project(s) with specific cost(s) - why approve a "blank check"?

It may be considered prudent to plan appropriately to assure the ability to leverage grants, bonds, etc. Acquisition or projects that are attractive in meeting the goals of the Open Space Plan or improvements can present themselves quickly. Having the ability to leverage resources is important component of success.

25. If the Borough cannot maintain its current recreational inventory, why doesn't it scale back and dedicate funds appropriately?

The Recreation Master Plan identified that fields are currently overused based on the number of participants in programs. One of the goals of the RMP was not to limit the types of recreational opportunities that are available, but rather to accommodate – to the best of our ability - the desires of all segments of our community. The programs and number of participants continue to grow and impact the use of the fields. Therefore, we cannot afford to reduce our inventory.

26. Is it possible that the open space tax could be increased again to one cent per \$100 of assessed value?

The current ordinance provides for 1 cent per \$100 of assessed value. It was reduced in 2008 to ¼ cent per \$100 of assessed value. The council ultimately determines the rate and could decide to return the amount to that authorized in the ordinance. If the council wanted to increase the rate beyond the 1 cent, it would have to amend the ordinance, which requires introduction, publication and public comment before adoption.

27. How much can we leverage / bond improvements based on how much is collected (based of ¼ penny) per year.

Most recreation improvements would qualify for a 20 year bond. Based on current interest rates, the annual collected amount of \$32,500 could service a bond of approximately \$600,000 to \$650,000.

28. How much open space is available for acquisition by the Borough? If any space is available, is it currently a tax ratable?

Based on the criteria established in the Open Space Master Plan, we are not aware of any properties that are currently for sale. Essentially all open space that would be acquired by the Borough would be a ratable. Other open space, owned by the county is already in our open space inventory and not a candidate for acquisition by the Borough.

- 29. There is a rumor that the Ping-Wang property on the east side of New Providence with old dilapidated greenhouses is available for little money. Is the Borough Council considering this acquisition?**

Several years ago, the Borough Council considered the Ping Wang as a "property of interest" for the Borough. However, the council recognized that remediation of a contaminated site could be costly and place an undue burden on the taxpayers. At that time, the council authorized an application to the DEP for Brownfield's funding to provide for a 75% matching grant to assist with the costs of remediation. Unfortunately, in recent years, the available funds have dwindled potentially reducing our ability to obtain the grant.

- 30. Would it be possible to use half the money for land acquisition and half for field maintenance and improvements? This would make everyone happy.**

As mentioned previously, the Borough Council ultimately decides how the funds will be spent. The council may consider this suggestion as a reasonable approach after a study and public comment on the matter and decide to act in this fashion.

- 31. What is the timing of a sub-committee recommendation and council action – voting on such a recommendation?**

Council action could occur quickly. The idea may be presented at a council meeting, with action scheduled for the next council meeting. However, the action could also be delayed if the council decided to engage the various stakeholders in the discussions, gather input from various boards, committees, etc.

- 32. Mr. Woodward commented that Chatham Township amended their Open Space Ordinance several years ago in a similar fashion as being proposed here. He indicated that the program in Chatham Township is working very well. Please elaborate on the similarities with Chatham Township and discuss how the funds were used.**

The ordinance in Chatham Township was amended to include improvements to open space, with a recreation component. Recently, Chatham Township used part of the fund for demolishing buildings on property acquired with the fund and adding walking trails. They also purchased a property next to a recreation facility, razed the house and created a parking lot for the recreation facility.

- 33. Mr. Lesnewich commented earlier in the forum that Oakwood Park is not a priority at this time. Please elaborate.**

The reason the Recreation Master Plan identified turf fields as a necessary component was to allow the natural grass fields to rest and recover from the heavy use. As our committee reviews the Recreation Master Plan, we believe there are other opportunities to make improvements to our facilities. For example, the Borough Council recently authorized a Union County grant to repair the infields of our baseball diamonds. The RMP is reviewed in light of current circumstances and many relevant factors, the most reasonable and practical solutions do not make Oakwood a priority.