

Statement in Response to Cust Presentation During Sept 23 Council Meeting

The Friends of Historic Flemington find it very troubling that Mayor Betsy Driver, Councilman Jeff Doshna and Councilwoman Caitlin Giles-McCormick coordinated with developer Jack Cust to give an unannounced 15 minute presentation during the September 23rd Council meeting. A number of his supporters gave speeches that were clearly prepared in advance.

The presentation was not on the published agenda and the rest of Borough Council had no idea it would occur. Further, the meeting venue was changed to the Historic Courthouse at the last minute without explanation. All of this suppressed public participation. These kinds of political games demonstrate unwavering support for the developer that clearly far outweigh the Mayor and two Council members' concern for taxpayers, residents and their quality of life.

The Friends of Historic Flemington have always been in favor of redevelopment that adaptively reuses historic buildings along with new structures in scale with the historic district, which has no buildings over three stories. The Borough's approved 2015 Master Plan allows for construction up to three stories, with four in certain circumstances. We believe this is appropriate. This plan already provides for an enormous amount of density, far more than anything currently in town.

In July 2018 the Friends submitted a settlement letter to the Borough outlining what we believe is an appropriate project. The letter contained a number of significant concessions. We never received a response. Last month we submitted another settlement letter documenting additional significant concessions as discussed in private Council Redevelopment Committee meetings. Again, no response from the Borough. The latest "proposed" redevelopment scheme addresses none of the many remaining issues.

The developer claims he has made a "significant" reduction in the size of the project, primarily by reducing the height to six stories from the original eight. However, a detailed architectural analysis of the plans and elevations shows only a ~2% reduction in overall square footage, which includes a 15% increase in the number of apartments compared to the original eight story plan.

The significant reduction claimed by the developer is simply not there. His glossy renderings are intentionally deceptive because they show none of the adjacent existing buildings to put the true scale in perspective. There has been no compromise. The enormous density is all still there; it's just been shifted around the site and replaced some parking. We urge the developer to commission a physical 3D model of the project including a couple of blocks of existing buildings in each direction, so the public can get a more accurate sense of the proposed scale.

The developer has claimed the project would not be feasible if it's reduced in size. The project benefits from \$60+ million in property tax subsidies and also qualifies for the Federal Opportunity Zone program, which allows for zero capital gains tax after ten years. On a \$90 million project, these subsidies make an enormous positive impact on the economics.

The developer's own four story, 335 unit apartment project on Route 31 behind HealthQuest in Raritan Township has no tax subsidies, provides many more low/moderate income units, and isn't in an Opportunity Zone. How could the economics work there but not on a far larger, heavily subsidized project in the Borough?

If the project is to move forward, it's time to significantly reduce the size to something that fits the historic district. Sometimes it's necessary to leave a little profit on the table to compromise and do the right thing.