

APPENDIX

Judicial Retirement System of New Jersey



Classic Values, Innovative Advice

Actuarial Valuation Results as of July 1, 2020

June 17, 2021

Janet Cranna, FSA, FCA, EA, MAAA

Anu Patel, FSA, EA, MAAA

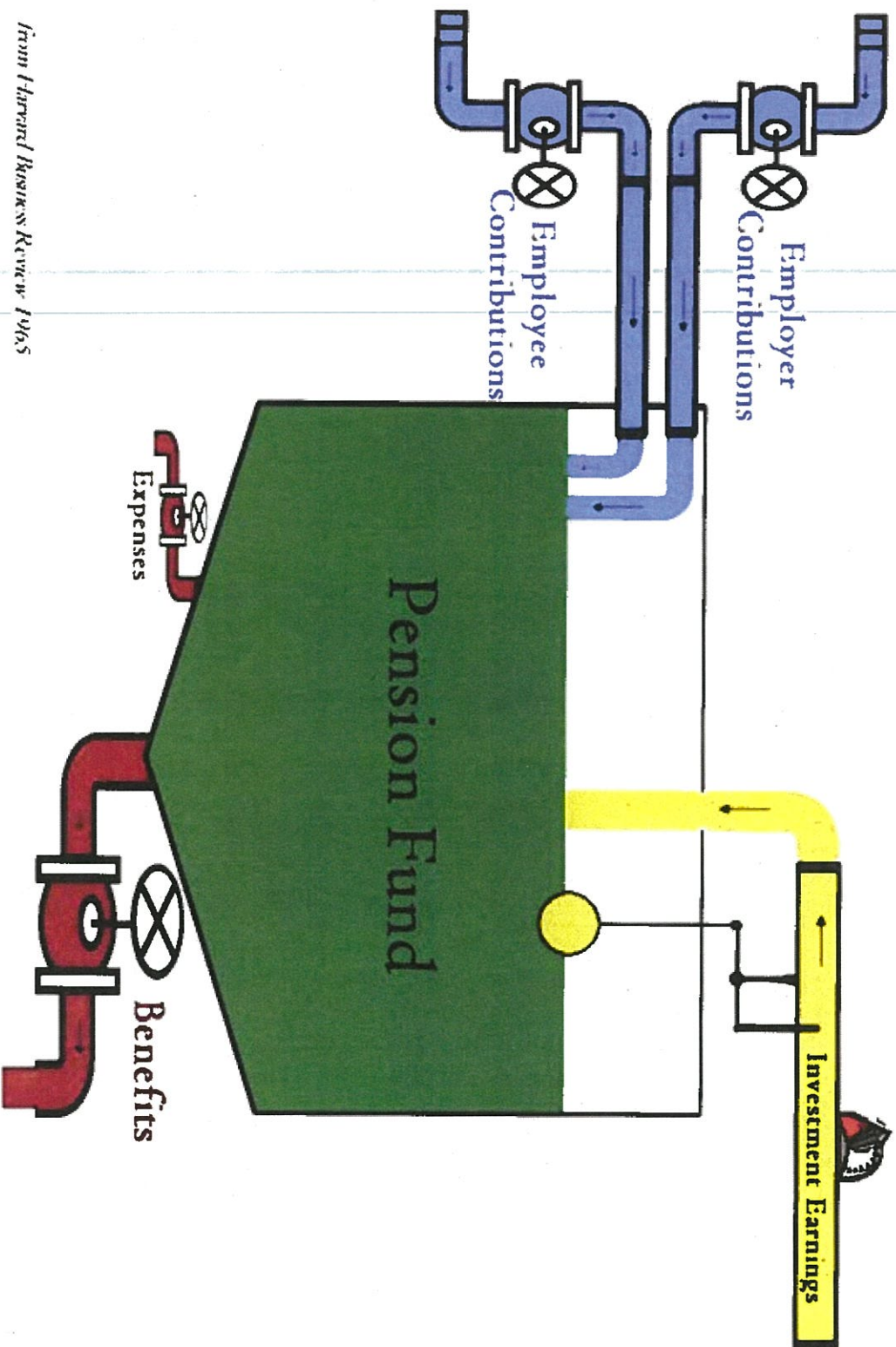
Jonathan Chipko, FSA, EA, MAAA

Agenda



- Actuarial Valuation Process
- Overview
- Historical Trends
- Valuation Results
- Projections
- Risk Assessment

Actuarial Valuation Process



from Harvard Business Review 1965

Overview



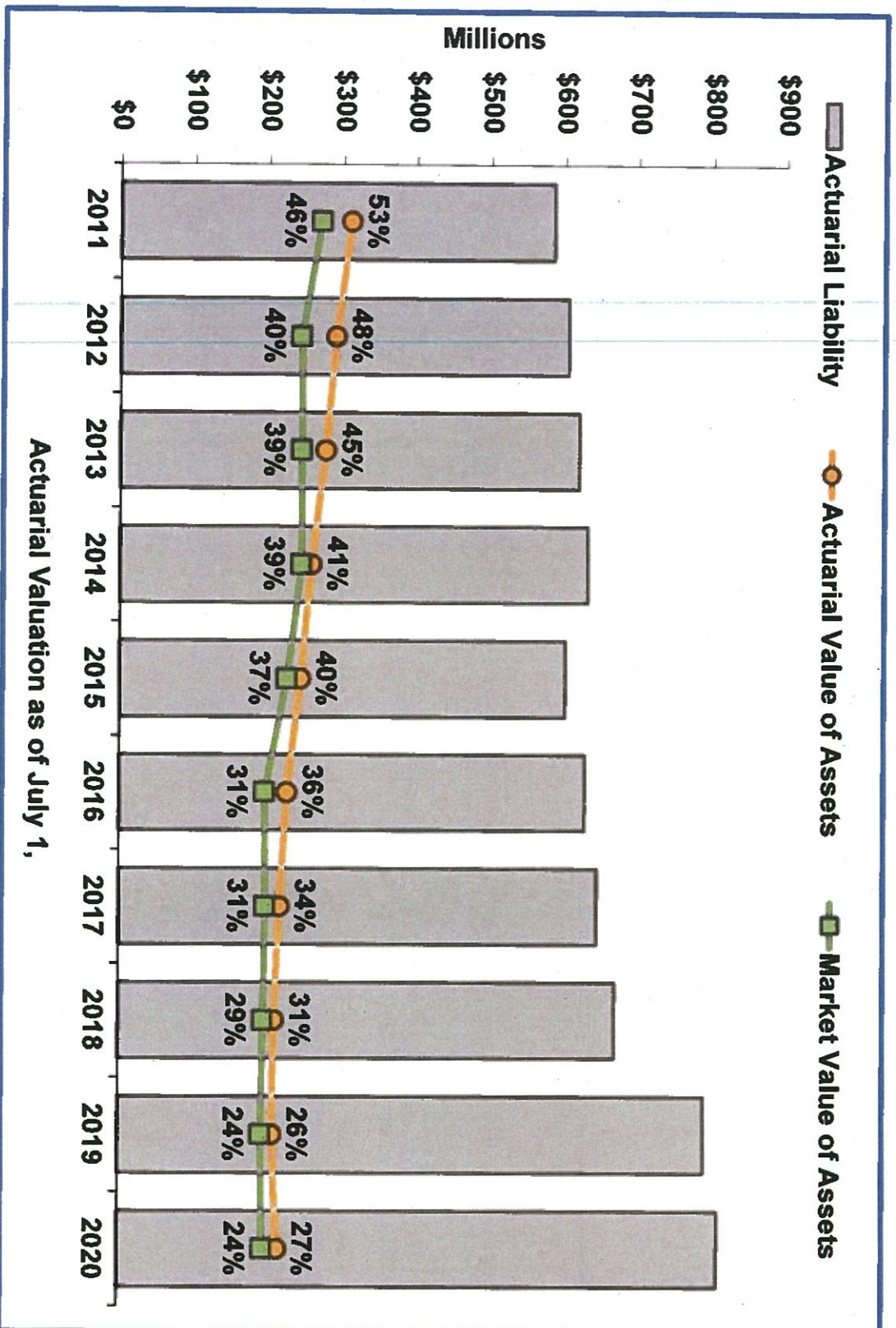
- Market asset return was 1.35%, compared to the 7.30% assumed return
- Actuarial asset return (AVA) was 4.30%
 - This resulted in a \$4.8 million loss with approximately \$19.3 million in deferred asset losses
- The System's demographic experience is a liability gain of about \$4.4 million, or 0.54%
- FYE 2021 State appropriations are 78% of the Statutory contribution and are included in the assets as of July 1, 2020
 - This, along with other contribution related items, such as the timing of contributions, increased the unfunded liability by \$16.5 million

Overview

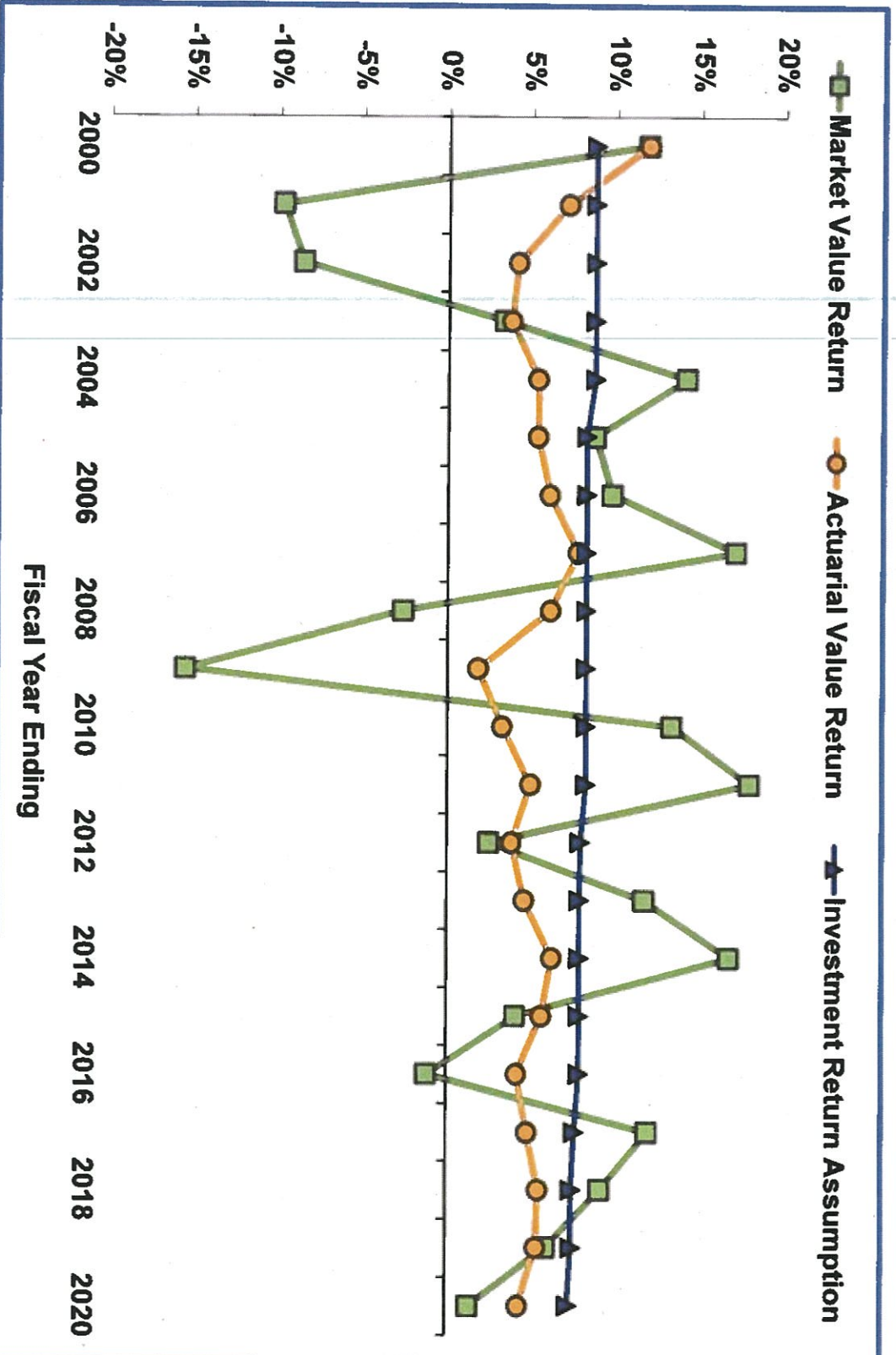


- The unfunded liability on an AVA basis increased from \$583.6 million to \$594.9 million
- The AVA funded ratio increased from 26.2% to 26.5%
- Statutory contribution for FYE 2021 increased by 2.0% from \$65.8 million to \$67.1 million
- The amortization period as of July 1, 2020 is 29 years
 - It will decrease to 28 years for the July 1, 2021 valuation in accordance with Chapter 78, P.L. 2011
- The anticipated FYE 2022 State appropriations are 100% of the Statutory contribution

Historical Trends – Assets & Liabilities



Historical Trends – Asset Returns



Source of market value returns: FYE 2017 through 2020, Actuarial Valuation Reports; FYE 2014 – 2016, money-weighted returns for the Pension Funds from the Division of Pension and Benefits Comprehensive Annual Financial Reports, FYE 2000 – 2013, returns for the Pension Funds from the New Jersey State Investment Council Annual Report Source of actuarial value returns: Actuarial Valuation Reports (FYE 2000 return calculated based on available information)

Top Chart: Actuarial Liabilities and Assets

Year	Actuarial Liabilities	Actuarial Assets	Market Assets
2020	27%	27%	27%
2022	28%	28%	28%
2024	31%	31%	31%
2026	35%	35%	35%
2028	38%	38%	38%
2030	42%	42%	42%
2032	46%	46%	46%
2034	50%	50%	50%
2036	55%	55%	55%
2038	59%	59%	59%
2040	64%	64%	64%
2042	69%	69%	69%
2044	74%	74%	74%
2046	78%	78%	78%
2048	83%	83%	83%
2050	88%	88%	88%
2052	88%	88%	88%

Bottom Chart: Contributions and Costs

Year	Member Contribution	State Contribution	AVA Tread Water	Baseline (2020)	Normal Cost
2020	\$67	\$71	\$74	\$76	\$79
2022	\$67	\$71	\$74	\$76	\$79
2024	\$67	\$71	\$74	\$76	\$79
2026	\$67	\$71	\$74	\$76	\$79
2028	\$67	\$71	\$74	\$76	\$79
2030	\$67	\$71	\$74	\$76	\$79
2032	\$67	\$71	\$74	\$76	\$79
2034	\$67	\$71	\$74	\$76	\$79
2036	\$67	\$71	\$74	\$76	\$79
2038	\$67	\$71	\$74	\$76	\$79
2040	\$67	\$71	\$74	\$76	\$79
2042	\$67	\$71	\$74	\$76	\$79
2044	\$67	\$71	\$74	\$76	\$79
2046	\$67	\$71	\$74	\$76	\$79
2048	\$67	\$71	\$74	\$76	\$79
2050	\$67	\$71	\$74	\$76	\$79
2052	\$67	\$71	\$74	\$76	\$79



CHEIRON

June 17, 2021

Actuarial Liability and Market Assets

Top Chart: Actuarial Liability and Market Assets

Y-axis: \$ in Millions (27% to 92%)

X-axis: 2020 to 2050

Legend:

- Actuarial Liability (Grey bars)
- Actuarial Assets (Orange bars)
- Market Assets (Green line)

Bottom Chart: Member Contribution, State Contribution, and Normal Cost

Y-axis: \$ in Millions (\$9 to \$20)

X-axis: 2020 to 2050

Legend:

- Member Contribution (Purple bars)
- State Contribution (Orange bars)
- Normal Cost (Dashed line)
- AVA Tread Water (Red dashed line)
- Baseline (2020) (Black dashed line)

Year	Member Contribution	State Contribution	Normal Cost	AVA Tread Water	Baseline (2020)
2020	\$9	\$9	\$9	\$9	\$9
2022	\$9	\$9	\$9	\$9	\$9
2024	\$9	\$9	\$9	\$9	\$9
2026	\$9	\$9	\$9	\$9	\$9
2028	\$9	\$9	\$9	\$9	\$9
2030	\$9	\$9	\$9	\$9	\$9
2032	\$9	\$9	\$9	\$9	\$9
2034	\$9	\$9	\$9	\$9	\$9
2036	\$9	\$9	\$9	\$9	\$9
2038	\$9	\$9	\$9	\$9	\$9
2040	\$9	\$9	\$9	\$9	\$9
2042	\$9	\$9	\$9	\$9	\$9
2044	\$9	\$9	\$9	\$9	\$9
2046	\$9	\$9	\$9	\$9	\$9
2048	\$9	\$9	\$9	\$9	\$9
2050	\$9	\$9	\$9	\$9	\$9



CHEIRON

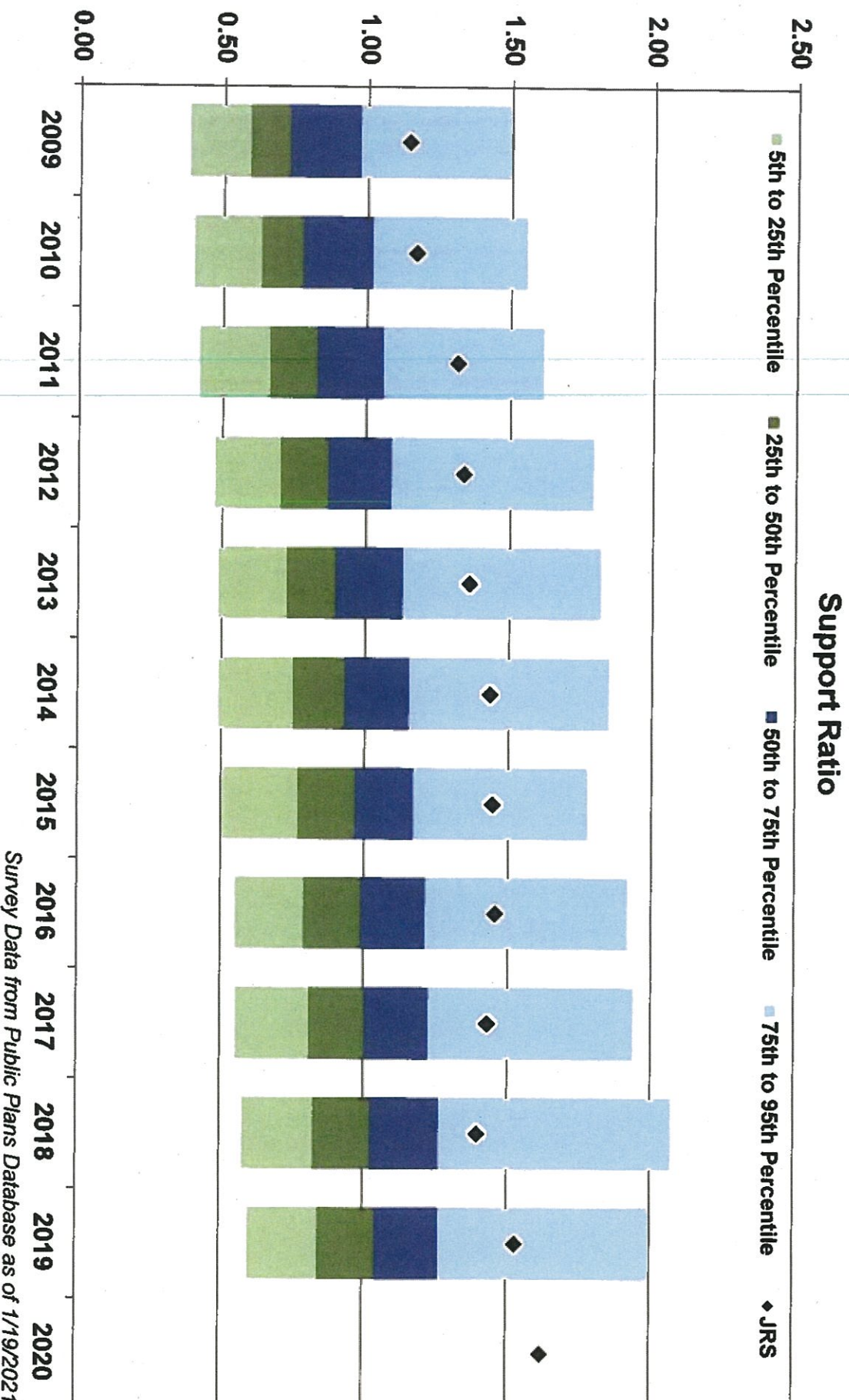
June 17, 2021

Risk Assessment

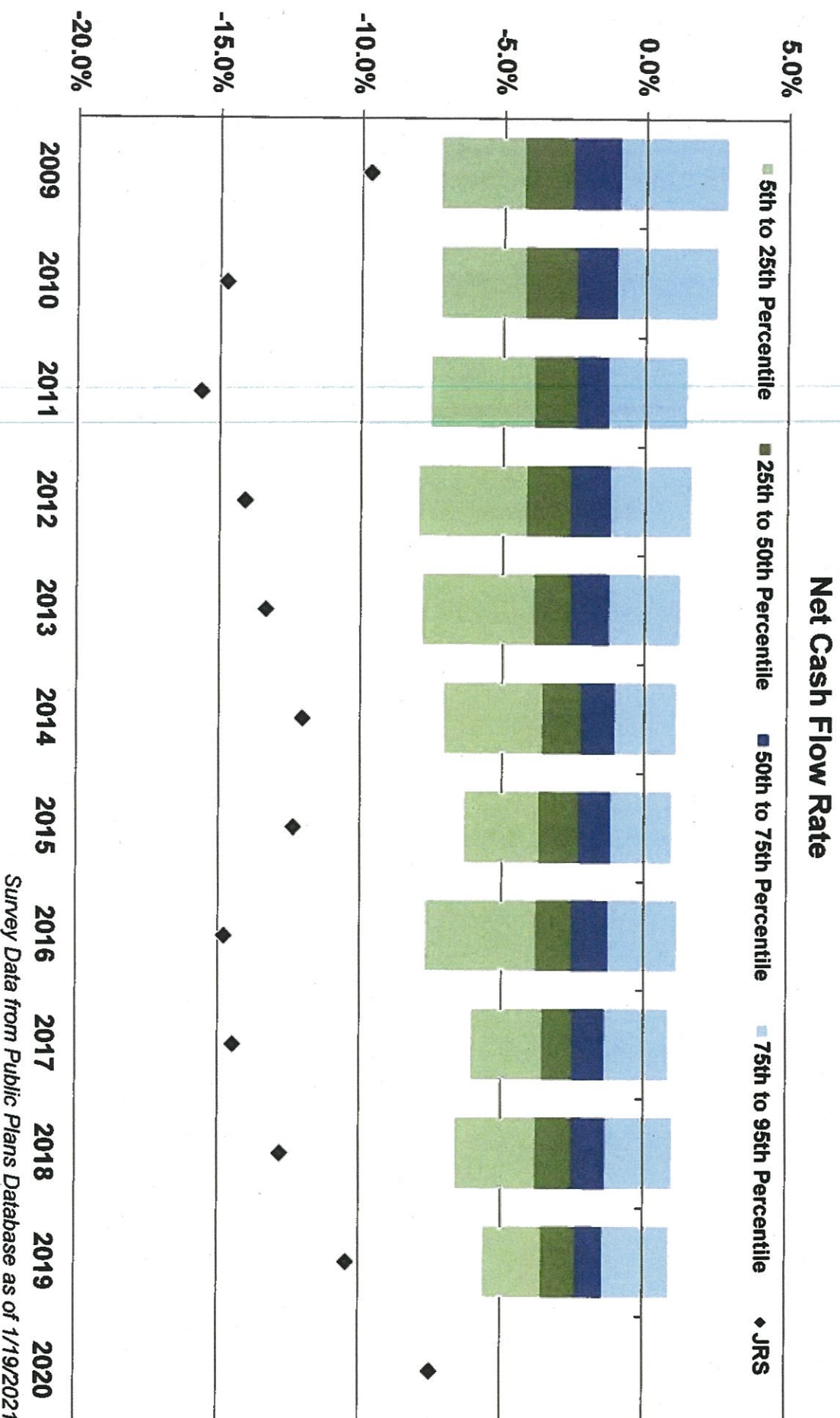


- Primary risks identified for JRS
 - Investment risk
 - Assumption change risk
 - Contribution risk
- Plan maturity measures used to help understand the amount of risk the System is facing
 - Support Ratio: number of inactive members supported by each active member
 - Net Cash Flow: ratio of net cash flow to beginning of year assets

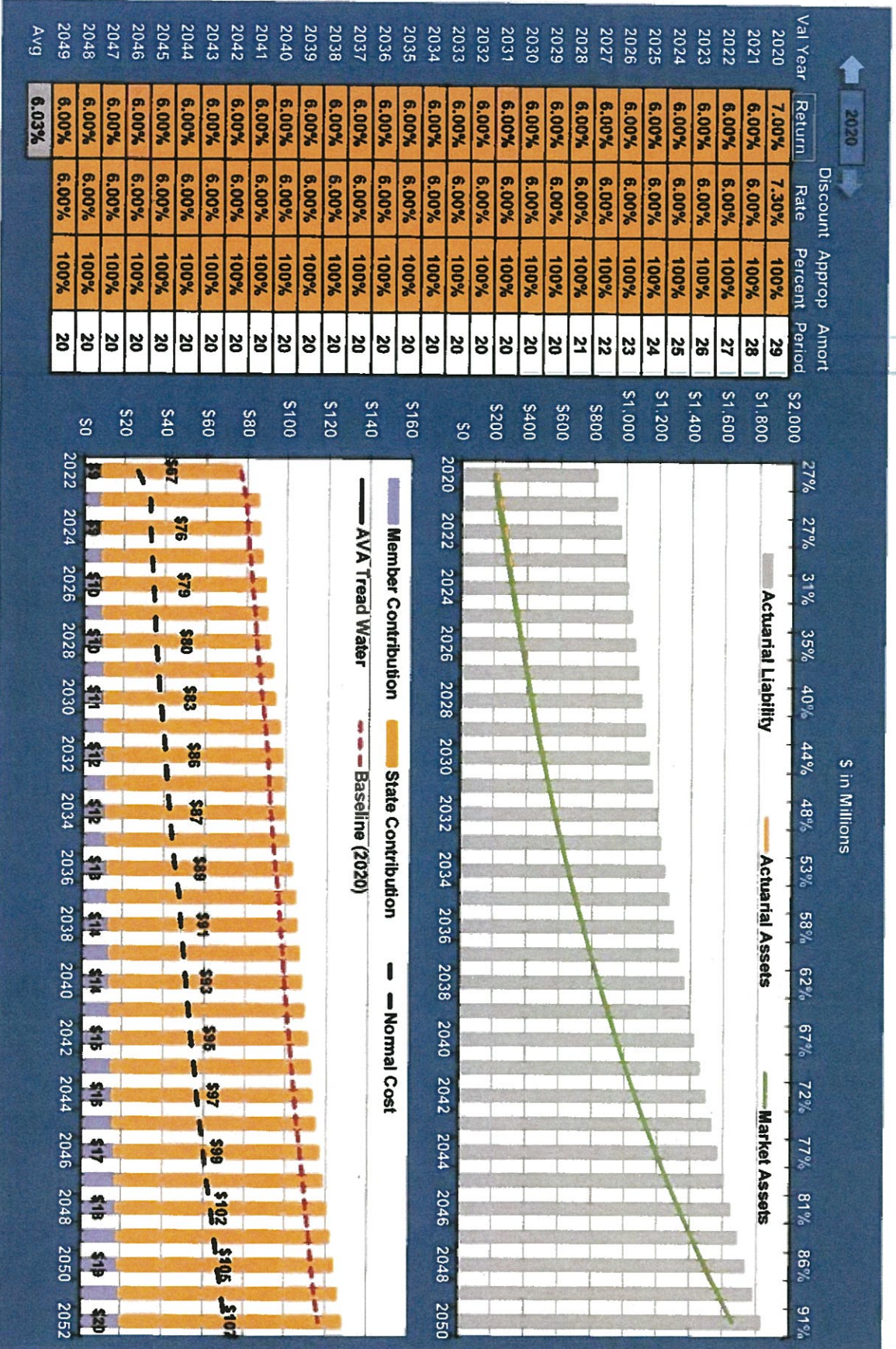
Plan Maturity – Support Ratio



Plan Maturity – Net Cash Flow



Future Discount Rate & Investment Return 6%



Funded ratio based on Actuarial Value of Assets



Classic Values, Innovative Advice

June 17, 2021

Val Year	Return	Discount Rate	Approp Percent	Amort Period
2020	7.00%	7.30%	78%	29
2021	7.00%	7.00%	78%	28
2022	7.00%	7.00%	78%	27
2023	7.00%	7.00%	78%	26
2024	7.00%	7.00%	78%	25
2025	7.00%	7.00%	78%	24
2026	7.00%	7.00%	78%	23
2027	7.00%	7.00%	78%	22
2028	7.00%	7.00%	78%	21
2029	7.00%	7.00%	78%	20
2030	7.00%	7.00%	78%	20
2031	7.00%	7.00%	78%	20
2032	7.00%	7.00%	78%	20
2033	7.00%	7.00%	78%	20
2034	7.00%	7.00%	78%	20
2035	7.00%	7.00%	78%	20
2036	7.00%	7.00%	78%	20
2037	7.00%	7.00%	78%	20
2038	7.00%	7.00%	78%	20
2039	7.00%	7.00%	78%	20
2040	7.00%	7.00%	78%	20
2041	7.00%	7.00%	78%	20
2042	7.00%	7.00%	78%	20
2043	7.00%	7.00%	78%	20
2044	7.00%	7.00%	78%	20
2045	7.00%	7.00%	78%	20
2046	7.00%	7.00%	78%	20
2047	7.00%	7.00%	78%	20
2048	7.00%	7.00%	78%	20
2049	7.00%	7.00%	78%	20
Avg	7.00%	7.00%	78%	20

Top Chart: Actuarial Liability, Actuarial Assets, and Market Assets

Year	Actuarial Liability (\$M)	Actuarial Assets (\$M)	Market Assets (\$M)
2020	1,800	1,800	1,800
2022	1,400	1,400	1,400
2024	1,200	1,200	1,200
2026	1,000	1,000	1,000
2028	800	800	800
2030	600	600	600
2032	400	400	400
2034	200	200	200
2036	100	100	100
2038	50	50	50
2040	25	25	25
2042	12	12	12
2044	6	6	6
2046	3	3	3
2048	1	1	1
2050	0	0	0
2052	0	0	0

Bottom Chart: Member Contribution, State Contribution, AVA Tread Water, and Normal Cost

Year	Member Contribution (\$M)	State Contribution (\$M)	AVA Tread Water (\$M)	Normal Cost (\$M)
2020	52	52	52	52
2022	57	57	57	57
2024	61	61	61	61
2026	64	64	64	64
2028	68	68	68	68
2030	72	72	72	72
2032	74	74	74	74
2034	77	77	77	77
2036	79	79	79	79
2038	82	82	82	82
2040	84	84	84	84
2042	87	87	87	87
2044	90	90	90	90
2046	93	93	93	93
2048	96	96	96	96
2050	99	99	99	99
2052	102	102	102	102



June 17, 2021

Appendix: Baseline Projection Assumptions



- Open group
- Investment return assumption
 - 7.00% as of 7/1/2021 and later
- 7.0% actual investment return in all years
- Appropriation percentages
 - 100% of Statutory contribution in FYE 2022 and thereafter
- Administrative expenses
 - Assumed to increase by 2.75% per annum

Reliance



The purpose of this presentation is to present the July 1, 2020 actuarial valuation results for the Judicial Retirement System of New Jersey.

In preparing our presentation, we relied on information (some oral and some written) supplied by the Division of Pensions and Benefits. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No.23.

Future valuation results may differ significantly from the current valuation results presented in this presentation due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law. For details on the assumptions and methods, refer to the July 1, 2020 actuarial valuation report.

Cheiron utilizes and relies upon ProVal, an actuarial valuation software leased from Winklevoss Technologies for the intended purpose of calculating liabilities and projected benefit payments. Projected expected results of future valuations in this presentation were developed using P-scan, our proprietary tool for the intended purpose of developing projections. As part of the review process for this presentation, we have performed a number of tests to verify that the results are reasonable and appropriate. We are not aware of any material inconsistencies, unreasonable output resulting from the aggregation of assumptions, material limitations or known weaknesses that would affect this presentation.

This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

This presentation was prepared exclusively for the Board for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Janet Cranna, FSA, FCA, EA, MAAA
Principal Consulting Actuary

Anu Patel, FSA, EA, MAAA
Principal Consulting Actuary

Jonathan Chipko, FSA, EA, MAAA
Consulting Actuary



Classic Values, Innovative Advice

June 17, 2021

Sent: Monday, June 21, 2021 11:13 AM
To: State House Commission (TREAS); INFO@sierraclub.org; PETA Info; ANGI METLER; The
Pew Charitable Trusts
Cc: INFO; media; INFO@njtaxes.org; info@afphq.org
Subject: [EXTERNAL] Comments for Meeting of June 23, 2021 for the record

CAUTION

This message came from an EXTERNAL address ([REDACTED] com). **DO NOT** click on links or attachments unless you know the sender and the content is safe. Suspicious? Forward the message to spamreport@cyber.nj.gov.

2. city of camden - allowing any property to go to nj economic development group, which is a real loser of a govt agency that is full of corruption for years now makes no sense to the nj citizenry. those 8 acres that are left should allow the state treasury to sell it to a private developer without involving eda at all. such a larger property should get more for the taxpayers of nj than \$5 million.
3. taxation building mercer county do not think this should be approved by the state house commission until the treasury gives the citizens of nj an approximation of what this property will sell for. at present, this is open ended and can be subject to corruption and thievery. make no action to sell until the citizens understand what the sale price will be. don't let insiders get their usual cut.
- 4 teaneck bergen county nj - the amount of parkland requested to be back to teaneck, a highly congested city, should be 10 acres. pseg has for years taken open space for their profiteering uses and is a very profitable company in nj. it can afford to give back for open space, the most highly prized thing we can have in nj. it's time for pseg to give back substantially. we need it in nj.
5. englewood bergen county -- the 4.46 acres needs a dictum that it will be permanently preserved and not lost to open space the next time some request comes around.
- 6.ok\
7. manalapan monmouth county - a 1.158 acre parcel along rt 33 has a much higher parcel price than \$17,000 and is much more likely worth \$250,000. land is high priced in nj and this appraisal value is as low as can be and outdated and inappropriate and in fact criminally wrong. this appears to be a giveaway at \$17,000 to stavola asphalt. the citizens of nj demand \$250,000 for this property and the provision of 10 acres replacement by stavola. it's time for the state to get back proper monies and stop giving deals to special customers.
8. pleasantville atlantic county - 2 acres never had a low value like \$78,000. never. land in nj is always more expensive than that. we deal with fakes in this agency. to compensate, for the unauthorized disposal of 2.688 acres of PARKLAND, CITY SHOULD DEDICATE 10 ACRES OF LAND BACK TO PARKLAND.

THIS COMMENT IS FOR THE PUBLIC RECORD OF A CITIZEN'S COMMENTS ON THE MEETING OF JUNE 23, 2021

JEAN PUBLIEE

[REDACTED] COM

17x

JAMES VEACH

Teaneck, NJ 07666-2817

.com

April 23, 2021

State House Commission
Department of the Treasury
PO Box 002
Trenton, NJ 08625-0002

Re: State House Commission Meeting on April 26, 2021
Agenda Item 7: Votee and Windsor Parks Diversion
Undeveloped/Vacant Land Owned by Township of Teaneck

Dear Commission Members:

I'm writing with respect to Item 7: the New Jersey Department of Environmental Protection's (DEP) request for approval of a major diversion of two Teaneck Township Parks and a request from the current Township Council that the DEP's Acting Commissioner of the Department of Environmental Protection (DEP) "approve alternative uses" for compensation that the Township agreed upon with Public Service Electric & Gas (PSE&G) and the DEP's Green Acres program.

As a longtime Township resident, I'm concerned about the Council's belated attempt to have the DEP's Acting Commissioner, as the Township's Mayor put it during an April 13th Council meeting, "waive" Green Acres regulations in order for the Township to spend PSE&G's compensation on "additional recreational facilities," rather than use dozens of acres of undeveloped and vacant land that the Township already owns to satisfy Green Acres requirements.

I urge this Commission to take notice of the many acres of vacant and undeveloped land that the Township owns, much of it near or adjacent to existing parks, land that could easily be used to meet the requirement that the Township add 3.37 acres of vacant land to the Township's Recreational and Open Space Inventory (ROSI).

Request for "Waiver" of Greenacres Requirements.

Over the past two years or so, Teaneck Township officials negotiated the cash compensation arrangement now before this Commission. Under those terms, PSE&G would pay \$1,918,500 to compensate the Township for three easements in two parks.

18x

(PSE&G would also plant trees in a buffer area in one of the parks, plant additional trees in Township parks, and provide monetary compensation.)

The three easements occupy .842 of one acre in one park. Final Application, Attachment V, p. 1. As a private litigant, and in order to satisfy the 4:1 rate of land donation to diversion area requirements, PSE&G needed to donate at least 3.37 acres of land to the Township, land that would be added to the Township's (ROSI). PSE&G, however, claimed that it wouldn't be "feasible" for it to buy 3.7 acres of undeveloped land in the Township.

The Township and PSE&G then negotiated a dollar compensation at a 10:1 ratio based on an averaged appraised valuation for the .842 acres or \$1,918,500. Attachment V, p. 1. (The land within the three easements has an appraised market value of \$191,580.) During the negotiations, the Township asked that the DEP/Green Acres program accept this sum as compensation for the diversion. Green Acres apparently agreed with the valuation, but subject to the following conditions: the \$1.9 million had to be placed in a segregated account and "used to acquire replacement land [3.37 acres] within 2 years." Green Acres Response to Final Application, dated August 19, 2019, pp. 2-3. If Teaneck failed to meet these conditions, the funds would move to the Garden State Preservation Trust for land acquisition" in other parts of the State. *Id.*

In addition to an initial scoping hearing in January 2019, the Township and PSE&G participated in a public hearing on October 13, 2020 to present the terms of the agreement. The Township Manager, a representative from an environmental consulting group that advised on the application, an attorney for PSE&G, and four PSE&G representatives attended the meeting via ZOOM. No Teaneck resident or any member of the public attended the meeting. Trans. pp. 24-27. Had any member of the public attended the meeting they would have learned very little about the terms of the compensation or how PSE&G's money would be used.

During the October 13th call/ZOOM meeting, the environmental consultant mentioned that compensation would be "in the order of \$1.9 million for the easement," but did not explain how this amount was calculated. The consultant later added that "compensation . . . must be linked to the improvements to parks and/or open space." October 13, 2020 Transcript of Public Hearing, p. 21.

Buyer's Remorse

In January 2021, Teaneck's Mayor and Township Manager approached 37th District Assemblyman Gordon M. Johnson at an event and asked for his help with respect to the diversion agreement. This led to discussions between the Manager and/or Mayor and the Assemblyman's staff and the drafting of a letter to the DEP's Acting Commissioner.

The attached letter, dated April 1, 2021, "request[s] that the Green Acres program work with" the Town Manager to "approve alternate uses of the compensation so that town residents will be able to benefit from the diversion." Attached April 21, 2021 letter from Assemblyman Johnson to Acting DEP Commissioner LaTourette.

Assemblyman Johnson's letter states that although the DEP requires that the Township use PSE&G's \$1.9 million "to add open space and provide new parks for residents," it was "all but certain that Teaneck [would] be unable to acquire new parkland within two years while being burdened with additional utility infrastructure forever." The letter therefore requests that the Green Acres program work with the Town Manager to "approve alternate uses of the compensation so that town residents will be able to benefit from the diversion." The letter urges the Acting Commissioner to approve these alternate uses of the \$1.9 million "to improve current parks by building additional recreational facilities or upgrading those that currently exist."

The letter also objected to "[h]aving the (PSE&G) funds . . . siphoned off to Trenton" and characterized the compensation agreement that the Township had negotiated as an "unacceptable solution for a community that is making a sacrifice of parkland to benefit the entire region." The letter closed with the suggestion that the enforcement of the compensation package that Teaneck had agreed to would set a "troubling precedent" that might result in no New Jersey municipality "permit[ing] such a diversion, even when the benefits for the region would be overwhelming."

On April 13th, the Township Council adopted resolution 102-2021, a resolution "Supporting Alternate Recreational and Park Improvements Uses for the Cash Contribution From PSE&G," a copy of which is also attached. The resolution appeared on the meeting agenda under the heading: "Supporting Assemblyman Johnson's Letter to NJDEP."

In its resolution, the Council requests that the DEP and its "Green Acre (sic) Program" approve alternate uses of compensation for the diversion of parkland . . . including improvement of current parks through the construction of additional recreational facilities or upgrading those that currently exist." Resolution 102-2021, p. 2

An Unexplored Alternative: Using Township-owned Open Space

During the Council's April 13, 2021 meeting, I pointed out that representatives at the Green Acres program had confirmed that Teaneck could use its *own land* to satisfy the 3.37 Green Acres requirement for replacement land. I also directed the Council's attention the Township's 2019 Open Space and Recreation Plan Update (OSRP) prepared by the Land Conservancy of New Jersey. The ORSP, which is posted on the Township Planning Board's website, identifies by block and lot and often street address about 47 acres of Township-owned vacant land. (Note: On October 27, 2021, a day after this

20x

hearing, the Township will accept bids for the sale of .66 acres of undeveloped and vacant land adjacent to an existing park. A copy of the Public Notice is attached.)

At the conclusion of the April 13th Council meeting, which by the way can be viewed on video tape on the Township website, the Mayor, who had spoken to Assemblyman Johnson in January, asked if I could send him a list of all the vacant land that the Township owns. This wasn't difficult. In an email the following morning, I pointed the Mayor to the OSRP's pp. 12-15 and the attached Parcel Data Tables that identify Township-owned, but undeveloped, land located throughout the Township. Based on the Mayor's request and the tone of the Assemblyman's letter, it doesn't appear that the Assemblyman's staff were advised that the Township owns much vacant land that could be used to satisfy the 3.37 replacement and requirement.

To update the Township's OSRP and identify opportunities for the Township to add to its open space inventory, the Land Conservancy used GIS digital mapping software and data from Bergen County and Teaneck Township tax records (2019 OSRP, p. 11). The Land Conservancy determined that the Township owns 73 acres of land, 47 of which are "undeveloped lots and surface parking areas." OSRP, p. 12. Many of these lots are vacant, have never been developed, and are located adjacent to or are near existing parks or adjacent to or within the Township's Greenbelt and Greenway. See 2011 Teaneck Township Environmental Commission (EC) Memorandum urging that many of these vacant properties be added to existing parks or the Greenbelt, OSRP, App F. Some of the properties referred to in the Environmental Commission's memorandum are quite large, *e.g.*, 6.3 acres of land near Argonne Park and some are smaller lots adjacent to or within the Greenbelt or are scattered about the town near other Township parks, *e.g.*, Coolidge Park or Continental Park.

On April 21, 2021, I attended via ZOOM a meeting of the Township's EC at which members of the Commission asked a member of the Council who serves as liaison to the EC about using Township-owned land to satisfy the PSE&G diversion project's Green Acres requirements and why vacant Township-owned land had not been used in the past to satisfy previous Green Acres requirements. As I recall, the Councilman speculated that perhaps "it never occurred to them."

Why the Diversion Project's Terms Should Be Renegotiated

By requesting that the Assemblyman write his letter to the Acting Commissioner -- and then following that up with the Council's Resolution 102-2021 -- the Township has opened the door to an exploration of how the PSE&G's \$1.9 million will be spent.

It's unclear, but it certainly appears that the Township officials who negotiated the terms of the compensation agreement did not raise with Green Acres the Township's using the Township's vacant land to satisfy its obligation to add 3.37 acres to

the Township's parks/recreation areas and then list that land on its ROSI in exchange for the \$1.9 million or at least some part of that compensation.

I urge that the Commission approve the DEP request, but direct that the Township and the Green Acres Program resume negotiations over how the \$1.9 million in PSE&G compensation will be spent. These negotiations should be conducted armed with the knowledge that the Township owns a substantial amount of vacant and undeveloped land that falls within the definition of replacement land. N.J.A.C. 7:36-26.10.

It appears that the Township and the Green Acres program never had a true meeting of the minds, largely because the Township simply ignored the fact that it need not go into the private market to buy undeveloped land; the Township needed only to consider the dozens of acres of open space it already owns.

Of course, the value of any Township-owned land dedicated for recreation and open space for this purpose would have to be determined and factored into how PSE&G's \$1.9 million will ultimately be spent, but PSE&G could proceed with its upgrades, while the Green Acres Program and the Township get this right and do so without ignoring Green Acres regulations, regulations that generated the \$1.9 million in the first place!

Respectfully,



Cc: Teaneck Township Manager

Teaneck Township Council

Clerk, Teaneck Township

Senator Loretta Weinberg

Assemblyman Gordon Johnson

Judeth Yeany, Esq., NJ Department of Environmental Protection, Green Acres Program

Maude Snyder, NJ Department of Environmental Protection, Green Acres Program



NEW JERSEY GENERAL ASSEMBLY

GORDON M. JOHNSON
ASSEMBLYMAN, 37TH DISTRICT
545 CEDAR LANE
TEANECK, NJ 07666
PHONE: (201) 530-0469
FAX: (201) 530-0486

COMMITTEES
COMMERCE AND
ECONOMIC DEVELOPMENT - CHAIR
JUDICIARY - VICE CHAIR
BUDGET

April 1, 2021

Shawn LaTourette, Acting Commissioner
NJ Department of Environmental Protection
PO Box 402
Trenton, NJ 08625

Dear Acting Commissioner LaTourette,

I am requesting your assistance with the NJ Green Acres Program for the Township of Teaneck. Public Service Electric & Gas (PSE&G) has applied on behalf of Teaneck for a diversion of Green Acres parkland in the form of a surface easement to upgrade their utility infrastructure. There is a large substation adjacent to the proposed diversion, and the easement would be used to enhance the power supply and reliability for Eastern Bergen County.

As part of the proposed diversion of parkland, PSE&G will compensate Teaneck approximately \$2 million for the surface easement and \$200,000 for the tree removals. According to communications from the Department of Environmental Protection, the funds must be used for parkland acquisition within two years or they will be impounded and remitted to the NJ Preservation Trust Fund. Though Teaneck would prefer to add open space and provide new parks for residents, as a fully developed municipality, the ability to purchase such land is exceedingly rare. It is all but certain that Teaneck will be unable to acquire new parkland within two years while being burdened with additional utility infrastructure forever.

I request that the Green Acres program work with Dean Kazinci, Teaneck Township Manager, to approve alternate uses of the compensation so that town residents will be able to benefit from the diversion. The funds can be used to improve current parks by building additional recreational facilities or upgrading those that currently exist. Having the funds being siphoned off to Trenton is an unacceptable solution for a community that is making a sacrifice of parkland to benefit the entire region. This situation sets a troubling precedent for future utility or transportation improvements, as no municipality would permit such a diversion, even when the benefits for the region would be overwhelming.

Sincerely,

Gordon M. Johnson
Speaker Pro Tempore
Assemblyman, District 37

23x

CC: Dean Kazinci, Township Manager, Township of Teaneck dkazinci@teanecknj.gov



INFORMATION ITEM (ID # 6535)

**Proposed Resolution: Supporting Assemblyman Johnson's Letter to NJDEP RE:
Green Acres - Deputy Mayor Schwartz**

COMMENTS - Current Meeting:

Deputy Mayor Schwartz detailed the purpose for this resolution and motioned to walk this resolution in tonight, seconded by Deputy Mayor Katz. Council agreed - Reso #102-21.

**SUPPORTING ALTERNATE RECREATIONAL AND PARK IMPROVEMENT USES
FOR THE CASH CONTRIBUTION FROM PSE&G FOR THE DIVERSION OF
PARKLAND AND THE REPLANTING OF TREES**

WHEREAS, PSE&G upgraded existing electrical lines that cross portions of the Township's Votee and Windsor Parks, and requested the diversion of a total of 0.842 acres of parkland to purchase three easements to properly maintain the upgraded facilities; and

WHEREAS, although the conveyance of the proposed easements by Teaneck to PSE&G will not affect the future use of either Votee or Windsor Park, under Green Acres rules such conveyance constitutes a major diversion of parkland; and

WHEREAS, the easements are valued at \$191,580.00 and based on that value, PSE&G was required to provide Teaneck with cash compensation of \$1,918,500 (slightly more than the 10:1 ratio required by the Green Acres rules); and

WHEREAS, pursuant to Green Acres rules, Teaneck is required to use the payment to purchase at least 3.37 acres of replacement land (fee or easement) within two years of State House Commission approval and, in the event of the failure to do so, Teaneck is required to remit said payment to Green Acres for deposit in the Garden State Preservation Trust Fund; and

WHEREAS, Teaneck is a fully developed municipality which makes it virtually impossible to acquire 3.37 acres of parkland within the Township of Teaneck; and

WHEREAS, PSE&G's upgrade to its facilities also resulted in the loss of eight trees greater than 6-inch DBH, which required the replacement replanting of 389 3-inch caliber trees at a replacement cost of \$196,445; and

WHEREAS, the Township identified locations in 15 Township parks for the replanting of 188 3-inch caliber trees for which PSE&G will spend \$94,940 to purchase, plant, and maintain for two years; and

WHEREAS, the Township was unable to identify additional locations within Township parks for the remaining balance of 201 trees, although there is an unmet need for additional

24x

shade trees within other public lands and the public rights-of-way which are ineligible under Green Acres rules; and

WHEREAS, the remaining replacement tree compensation of \$101,505.00 will be paid by PSE&G into the Shade Tree and Community Forest Preservation License Plate Fund for use by NJDEP for tree planting statewide; and

WHEREAS, the upgrades in Votee and Windsor Parks are part of PSE&G's state-wide upgrade of its existing 50-year-old 26 kV network which is necessary to comply with Federal Energy Regulatory Commission (FERC) 715 N-1-1 Planning Criteria, ensure safe and reliable electric service to current and future customers and minimize future service disruptions from large storm events for both Teaneck and the surrounding area; and

WHEREAS, it is inequitable to burden Teaneck with additional utility infrastructure within its parks for the benefit of the surrounding area, while denying Teaneck's use of the funds intended to compensate for the diversion of its parklands; and

WHEREAS, having compensatory funds siphoned from Teaneck to Trenton due to the inability to acquire additional parkland or identify locations for the replanting of trees within public parks may discourage other municipalities from agreeing to future utility or transportation improvements even where the benefits for the region may be overwhelming;

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Teaneck, Bergen County New Jersey, that the Township Council requests the New Jersey Department of Environmental Protection and the Green Acre Program to approve alternate uses of compensation for the diversion of parkland and the loss of shade trees including improvement of current parks through the construction of additional recreational facilities or upgrading those that currently exist and the replanting of shade trees where needed on public lands and within public rights-of-way; and **BE IT FURTHER**

RESOLVED, that a copy of this resolution be provided to Governor Phil Murphy, Shawn LaTourette, the Acting Commissioner of the New Jersey Department of Environmental Protection, Assemblyman Gordon Johnson, Assemblywoman Valerie Vainieri Huttie and State Senator Lorretta Weinberg.

25x

View Alerts

 (<https://www.facebook.com/Teanecknjgov/>)

 (<https://www.twitter.com/teanecknjgov/>)


The Township of Teaneck NEW JERSEY

Navigation



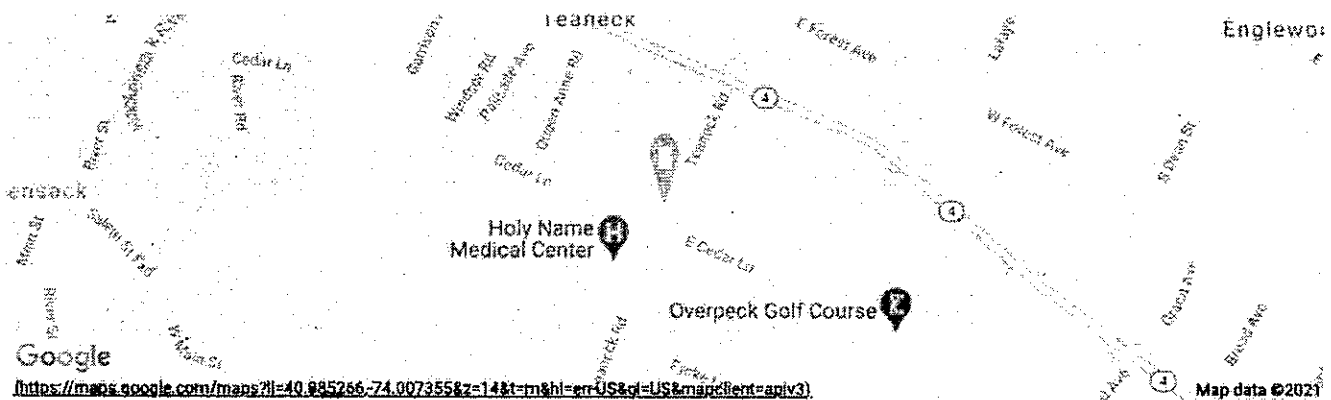
Public Land Auction: B:5706 L:6 & B:5207 L:14 43

Apr 27, 2021 at 1:00 PM

Location InformationMunicipal Building (<https://www.teanecknj.gov/maps/location/MunicipalBuilding>)

818 Teaneck Road

Teaneck, NJ 07666

Click for Directions (<https://www.google.com/maps/?q=40.885265999999994,-74.007354999999999>)

<https://maps.google.com/maps?l=40.885266-74.007355&z=14&t=m&hl=en-US&q=US&map Bent=apiv3>

PUBLIC NOTICE
TOWNSHIP OF TEANECK
NOTICE OF PUBLIC SALE AT AUCTION

PLEASE TAKE NOTICE that the parcels of land, as more particular set forth on the Schedule annexed hereto, located within the Township of Teaneck, shall be offered for public sale at auction to the highest bidder on TUESDAY, APRIL 27, 2021 at 1:00 P.M. on a Township of Teaneck ZOOM Meeting to accommodate the COVID-19 Pandemic:

ZOOM Info:

When: Apr 27, 2021 01:00 PM Eastern Time (US and Canada)

Topic: 4/27/21 | Public Land Auction | B:5207 L:14 & B:5706 L:6

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/86204800100> (<https://us02web.zoom.us/j/86204800100>)

Passcode: 230516

Or One tap mobile :

US: +13126266799,,86204800100#,,, *230516# or +19292056099,,86204800100#,,, *230516#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 929 205 6099 or +1 301 715 8592 or +1 346 248 7799 or +1 669 900 6833 or +1 253 215 8782

Webinar ID: 862 0480 0100

Passcode: 230516

International numbers available: <https://us02web.zoom.us/j/86204800100> (<https://us02web.zoom.us/j/86204800100>)

Said auction shall be made subject to the following conditions:

<https://www.teanecknj.gov/events/59111/>

26x

SCHEDULE OF PARCELS TO BE OFFERED FOR SALE

Parcel No.	Block	Lot	Street Address	Lot Acreage	Minimum Price	1	5207	14	43 Sackville Street	0.1722 acres	\$225,000	2	5706	6	Englewood Ave. & Spruce St.	0.68 acres	\$700,000
------------	-------	-----	----------------	-------------	---------------	---	------	----	---------------------	--------------	-----------	---	------	---	-----------------------------	------------	-----------

The aforesaid public sale at auction of each of the above parcels shall be subject to the following terms and conditions which shall be deemed included in the bidder's bid thereof:

1. The minimum price at which each of said parcels shall be offered for sale is set forth in the schedule listed above.
2. The Township Council, by not later than its second regular meeting following the holding of the aforesaid public auction sale, shall, with respect to the sale of each said parcel of land, either accept the highest bid therefor, or reject all bids, and the Township Council hereby expressly reserves the right to reject all bids respecting the sale of each said parcels.
3. The auction sale of each said parcel of land shall be conducted by the Township Clerk, who may adjourn same, at the above time and place or prior thereto, for a period of not more than one week, without readvertising; and the Township Clerk is hereby authorized and directed to place the required advertisements of sale, to accept deposits, to conduct said sale, and to require appropriate proofs of the bidder's ability to comply with the conditions hereinabove stated.
4. Any sale of the above parcels shall be for cash, certified check, or cashier's check from a bank authorized to do business within the State of New Jersey, and any bid made at the holding such sale shall be accompanied by a deposit, in cash, certified check or cashier's check, in an amount equal to 10% of the minimum bid. Closing of such sale shall take place not more than 60 days following the confirmation of such sale and acceptance of such bid by the Township Council, and at closing the balance of the purchase price shall be paid in full by cash or certified check, at which time a properly executed Deed of Bargain and Sale, with covenant against Grantor's Acts shall be delivered to the Purchaser; provided, however, that the Township Council may extend such 60-day period if, in its judgment, good cause exists for such extension.
5. As a condition of a sale of the aforesaid parcels of land, the purchaser thereof shall be required to pay at closing the cost of advertising the said sale, statutory notices, appraisal fees, the sum of \$1,000.00 for legal fees incurred on behalf of the Township respecting such sale and all other charges incurred by the Township in order to effect the sale pursuant to law.
6. In the event that title is proven to be unmarketable, the sole liability of the Township shall be to return any deposit money. The Township shall have the right, but shall not be required, to correct any defects in title and if the Township refuses to correct any defect in title, it shall only be required to return the bid deposit.
7. Any sale shall be subject to any easement or restrictions of record and such statement of facts as an accurate survey shall reveal.
8. The successful bidder shall be responsible for the cleanup of any environmental contamination located on, under, over or within the above parcel. No deduction shall be made from the purchase price for such cleanup. The successful bidder shall indemnify and hold harmless the Township of Teaneck from any claims relating to such environmental contamination or the cleanup thereof.
9. Said sale shall be subject to applicable federal, state, county and local statutes, ordinances, codes and rules and regulations, including specifically, but not limited to, applicable zoning and land use ordinances and building, plumbing, electrical, fire or similar codes in effect in the Township of Teaneck.
10. Closing shall take place in the office of the Township Attorney, John L. Shahdanian II, Esq., c/o McCusker, Anselmi, Rosen & Carvelli, PC, 210 Park Avenue, Suite 301, Florham Park, N.J. 07932, or such other location upon which the parties may mutually agree.
11. Said parcel of land is sold "as is." The Township of Teaneck makes no representations as to the condition or quality of the land or improvements upon said parcel. Bidders may inspect said parcel prior to the public sale and shall be responsible to fully acquaint themselves with the condition and quality of the property prior to the public sale.
12. The Township of Teaneck assumes no responsibility to maintain said parcel prior to closing and the risk of loss, if any, is upon the successful bidder.
13. The Township of Teaneck does not represent that the parcel is developable and shall not be required to correct any violations of law or provide a Certificate of Occupancy or similar document at the time of closing.
14. In the event the successful bidder fails to enter into a contract of sale following confirmation of the acceptance of his bid within ten (10) days after submission thereof by the Township of Teaneck, or in the event the successful bidder fails to close in accordance with the terms hereof, the Township may retain the bidder's deposit monies as liquidated damages.

15. The successful bidder may not assign the contract to purchase said parcel without the written consent of the Township of Teaneck.
16. Real estate taxes shall be adjusted as of the date of closing.
17. The Township of Teaneck shall not pay any broker's commission in connection with this sale and the successful bidder shall indemnify and hold harmless the Township of Teaneck from any such claim therefor arising by reason of the conduct of the successful bidder.
18. Except as set forth herein, the terms and conditions of the sale shall not be modified except as may be mutually agreed upon in writing, by the Township of Teaneck and the successful bidder, provided that no such modifications shall result in a violation of the bidding statute.
19. The sale of the aforesaid parcels of land shall be subject to the following deed restrictions which shall be deemed to run with the land:

- i. The property may not be used or developed for any purpose for which property tax exemption may be granted.
- ii. The property may not be used for any purpose other than for residential purposes.

(i) The sale shall not be subject to nor contingent upon the successful bidder receiving approvals for any subdivision, site plan, variance or other application for development.

Township of Teaneck
818 Teaneck Road
Teaneck, NJ 07666
(201) 837-1600 (tel:2018371600)



(<https://www.fairtradecertified.org/>)



(<http://www.sustainablejersey.com/>)



(<https://reportit.com/>)

Website Feedback (/site-feedback)

© 2021 Township of Teaneck, New Jersey. All Rights Reserved.
Site by EvoGov (<http://www.evogov.com/>)

28x



NEW JERSEY LEGISLATURE

LORETTA WEINBERG
MAJORITY LEADER
SENATOR, 37TH DISTRICT
545 CEDAR LANE
TEANECK, NJ 07666
PHONE: 201-928-0100
FAX: 201-928-0406

COMMITTEES
VICE CHAIR, LEGISLATIVE OVERSIGHT
JUDICIARY

COMMISSIONS
NJ ISRAEL COMMISSION
NJ HISTORICAL COMMISSION
NJ LEGISLATIVE SERVICES COMMISSION

April 25, 2021

State House Commission
Department of Treasury
P.O. Box 002
Trenton, NJ 08625-0002

RE: Township of Teaneck - Votee and Windsor Parks Diversion

Commission Members:

The Township of Teaneck (Township) has been engaged in discussions with PSEG over the past couple of years to divert 0.842 acres of public parkland at Votee and Windsor Park. PSEG has requested three easements so that upgrades can be made to existing electrical lines.

The Department of Environmental Protection (DEP), on behalf of the Township, is requesting approval from the State House Commission (SHC) to allow 0.842 acres, which is valued at \$191,580, to be diverted. The agreement stipulates that the Township would receive a payment \$1,918,500 from PSEG, that PSEG would finance the replacement of trees, and compensate the State Shade Tree and Community Forest Preservation License Plate Fund \$101,505.

PSEG's payment of \$1.9M to the Township is slightly larger than the 10:1 ratio, as required by the Green Acres rule. The sum would be held by DEP in a segregated account so that the funds could be used to acquire 3.37 acres of undeveloped or vacant land. Per N.J.A.C. 7:36-26.10, the Township is required to utilize these funds to purchase undeveloped or vacant land and add those lots to the Township Recreational and Open Space Inventory (ROSI) within two years. Should the Township fail to adhere to this requirement, the funds would be forfeited to the Garden State Preservation Trust for land acquisition within the State.

According to the Township 2019 Open Space and Recreation Plan Update, there are 73 acres owned by the Township, 43 acres of which are vacant. A significant portion of this undeveloped land is adjacent to existing parks or adjacent to the Township's Greenbelt and Greenway.

29X

LW/KA



NEW JERSEY LEGISLATURE

I request that the Commission delay consideration of the DEP application on behalf of the Township until these questions can be answered. May the Township use vacant and undeveloped land that it now owns to satisfy the 3.37 Green Acres requirements? If so, may the Township renegotiate and explore how the Township's using its own land to satisfy these requirements would factor into the agreed \$1.9M in compensation? If the application is approved, may the Township continue to negotiate with the Green Acres program with respect to the Township's using its own land to satisfy the Green Acres acreage requirements and the terms of the compensation to be paid?

Sincerely,

A handwritten signature in cursive script, appearing to read "Loretta Weinberg".

Loretta Weinberg
Majority Leader
37th District

30X

LW/KA