

# BISGAIER HOFF

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February 28, 2017

**VIA OVERNIGHT DELIVERY**

Gregory J. Bonin, Township Administrator  
Township of Branchburg, Municipal Building  
1077 U.S. Highway 202 North  
Branchburg, NJ 08876

***Re: In the Matter of the Township of Branchburg's Housing Element and Fair Share Plan, Docket No. L-898-15***

**Response to Second Request for Affordable Housing Development Proposals**

Dear Mr. Bonin:

Our office represents Intervenor/Defendant, Ken Pizzo, Sr. ("Pizzo") with respect to the above captioned matter and we are in receipt of the Township of Branchburg's ("Township") Second Request for Affordable Housing Development Proposals ("RFP"). This response is substantially similar to Pizzo's response to the Township's first Request for Affordable Housing Development Proposals, submitted to the Township on March 14, 2016. Please accept the enclosed: (i) Concept Yield Plan dated March 7, 2016, prepared by vlbjr+; (ii) Building Elevations (2 sheets), dated March 7, 2016, prepared by vlbjr+; and (iii) Aerial Photograph dated March 10, 2016, prepared by Stires Associates, PA in response to the RFP; and (iv) CD/DVD with all of the foregoing digitally reproduced (collectively, the "Proposal"). These enclosures are the same plans submitted to the Township in Pizzo's response to the Township's first Request for Affordable Housing Development Proposals. In addition, please accept the additional responses set forth below in direct response to the items of inquiry set forth in the RFP.

**Pizzo Response to Items of RFP**

1. *The tax map identification, zoning designation, current development and tax qualification of the property included within the proposal;*

The Pizzo property is identified on the tax maps of the Township as Block 7, Lot 1.03 and consists of approximately 10.2 acres (the "Property"). The Property is located within the Township's Industrial zoning district and is currently vacant.

2. *A statement of ownership for the property proposed for development or of legal control of the property, including any contingency and expiration dates;*

Pizzo owns the Property in fee and has no intention of contracting with a third party for the purpose of having that third part develop in accordance with the Proposal. If the Township

were inclined to rezone the Property consistent with the Proposed, Pizzo would develop, own and manage the resulting inclusionary development.

3. *The nature type and extent of all development proposed including, but not limited to, affordable housing;*

As set forth in the Yield Plan, Pizzo proposes the construction of 132 units in 7 buildings. Of those 132 units, twenty percent (20%) shall be deed restricted and reserved for low and moderate income households as those terms are defined by the regulations of the Council on Affordable Housing ("COAH") and the Uniform Housing Affordability Controls Act, N.J.A.C. 5:80-26.1 et seq. ("UHAC"). The affordable units provided within the development would comply with all distribution and bedroom requirements of UHAC. Although the units within the Proposal are identified as two (2) bedroom, the floor plans within the "Type B" building depicted allow for flexibility in meeting UHAC's three (3) bedroom requirements. However, under no circumstance would any of the market rate units be three (3) bedroom units, only the required affordable units will be three (3) bedroom.

Further, of the twenty seven (27) affordable units within the development, four (4) of those units would be reserved for very low income units, which represents approximately fifteen percent (15%) of the affordable units within the development.

Pizzo proposes a twenty percent (20%) affordable set aside, which is in excess of the traditional fifteen percent (15%) set aside that typically accompanies rental projects. However, Pizzo would consider an even greater set aside in conjunction with a greater density if the Township chooses to negotiate with Pizzo to modify its proposal for the greater benefit of the Township.

4. *An explanation of owner's or developer's financial resources sufficient to demonstrate that the proposal can reasonably be developed;*

Pizzo, as a principal in the firm of Pizzo & Pizzo ([www.apartmentseldomscene.com](http://www.apartmentseldomscene.com)), has been in the development industry for over fifty (50) years. During that time, Pizzo & Pizzo has been responsible for the delivery of over 16,000 residential units in New Jersey, Pennsylvania and North Carolina as has approximately 3,000 units under management in their portfolio. As indicated above, it would be Pizzo's intention to develop these units and maintain them as part of the Pizzo & Pizzo management portfolio. Pizzo has adequate resources to construct the development immediately.

5. *An explanation of why the owner or developer believes that its proposal would be particularly beneficial;*

Pizzo believes the proposed development to be beneficial for three (3) principal reasons. First, the Proposal provides assistance to the Township in meeting its affordable housing obligation. In that regard, Pizzo proposes a set aside of twenty percent (20%) of affordable units, which is in excess of the traditional fifteen percent (15%) set aside that typically accompanies rental projects. The provision of rental units may also entitle the Township to certain bonus

credits pursuant to COAH rules. Moreover, Pizzo is proposing to reserve approximately fifteen percent (15%) of those affordable units as very-low income in furtherance of the Township's statutory obligation to provide very-low income units as part of its Third Round (1999-2025) affordable housing obligation. Finally, provided that the Township were to elect this Proposal for inclusionary development, Pizzo would be amenable to extended affordability controls on the affordable units (beyond the standard thirty (30) years) so that the affordable units within this development would remain affordable for an extended period.

Second, the Proposal presents an attractive layout that maintains substantial open space throughout the Property. Unlike many proposals that the Township may be reviewing, the Pizzo Proposal does not seek to overbuild or even maximize the development of the Property. As currently proposed, the building coverage is approximately twenty one percent (21%), with substantial perimeter buffering being proposed. In addition to the surrounding green space, the development proposes interior open space, along with a clubhouse with associated amenities. Moreover, with respect to the building themselves, should the Township elect to proceed with a rezoning to provide for the Proposal, Pizzo would be agreeable to committing to utilize the highest quality material (cement board siding, brick/stone accents, etc.) to ensure that the development being proposed is truly first class in both construction and appearance.

Finally, beyond the affordable housing benefits and quality of the end product, this development is beneficial in that it provides an economic benefit to the Township. The Property is vacant and has been vacant for many, many years. Despite the Township's Industrial zoning regulations, there is simply not a development demand for the permitted uses within the Township's zoning regulations for the Property. Allowing for the development to proceed in accordance with the Proposal provides an expansion of the Township's ratable base, which is currently not realized by this underutilized Property.

6. *The timing of the proposed development;*

Pizzo would proceed with this development immediately upon a rezoning to allow the development as proposed.

7. *Any in-kind or monetary contribution required from Branchburg;*

None. Pizzo proposes to utilize its private resources to construct and manage the development.

8. *Any in-kind or monetary contribution to Branchburg proposed by the developer;*

Pizzo proposes to construct and manage, at its own expense, the affordable units as described in the response. Pizzo does not propose any monetary contribution to the Township.

9. *Whether each component of the proposed development is intended to be rented or sold;*

This development is intended to be a rental community.

Gregory J. Bonin, Township Administrator  
February 28, 2017  
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We thank the Township for its consideration of the Pizzo proposal and should the Township have any additional questions or concern or wish to discuss the matter further, we are available at the Township's convenience.

Very truly yours,

BISGAIER HOFF, LLC



Richard J. Hoff Jr.

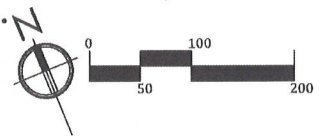
Enclosures

cc: Ken Pizzo, Sr. (via e-mail only)  
Ken Pizzo, Jr. (via e-mail only)





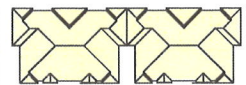
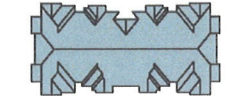
Concept Yield Plan  
Lot 1.03, Block 7



RFP / Township of Branchburg  
Affordable Housing Development  
Branchburg, New Jersey

07 March 2016 / rev 2

Development Data:

			Number of Bldgs.	Number of Units
Type "A" 12 units		2 Bdrm / 2 bath Flat w/ Garage 2 Story	03	36
Type "B" 24 units		2 Bdrm / 2 bath Flat 3 Story / Elevator Building	04	96
			07	132 units
Parking / 2 spaces per unit				264 spaces

Fieldstone Associates LP

**vlbjr+**  
architecture + town planning + urban design





BUILDING TYPE "A"  
FIELDSTONE ASSOCIATES LP  
RFP / TOWNSHIP OF BRANCBURG  
BRANCBURG, NJ.  
March 7th, 2016

-Elevation shown Not to Scale  
-Building Elevations reflect the proposed design, scale,  
massing, detail, and character. Specific materials and  
locations shall be determined in the final design process.

**vlbjr+**  
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-Elevation shown Not to Scale  
 -Building Elevations reflect the proposed design, scale, massing, detail, and character. Specific materials and locations shall be determined in the final design process.

BUILDING TYPE "B"  
 FIELDSTONE ASSOCIATES LP  
 RFP / TOWNSHIP OF BRANCBURG  
 BRANCBURG, NJ.  
 March 7th, 2016

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AERIAL PHOTOGRAPH	
FIELDSTONE ASSOCIATES, LP	
LOT 1.03 BLOCK 7	
BRANCHBURG TOWNSHIP	SOMERSET COUNTY NEW JERSEY
 <b>STIRES ASSOCIATES, P.A.</b>	
ENGINEERS - PLANNERS - SURVEYORS	
43 West High Street, Somerville, New Jersey 08876	
Phone (908) 725-0230 Fax (908) 707-0831	
CRAIG W. STIRES	DESIGNED BY: CWS
PROFESSIONAL ENGINEER	DRAWN BY: CWS
N.J. LICENSE No. 39078	CHECKED BY: CWS
DATE 03/10/16	SHEET NUMBER
SCALE: 1" = 200'	1 OF 1
PROJECT No. 16057	

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DATE	REVISION	BY