

1. *Cape May is a combination of a vibrant tourist destination, within a town of declining demographics. The resident population is aging, families are finding it difficult to secure affordable housing and the identity of our small town is losing its traditional quality of life. What would like to see done to reverse this trend?*

As a member of Cape May Planning Board, I was involved in the 18-month long revision of the City's 10-year Master Plan. One of the most in-depth conversations that the Planning Board had was how to ensure the continued diversity in our City and how to make it a place where City workers could live and raise their families. This is clearly not a quick fix situation but it will also not fix itself. The value of Cape May land is something beyond our ability to control and, therefore, housing prices will continue to escalate. We must, therefore, create affordable housing, and affordable housing at every level – that is workforce housing, moderate income housing, senior housing. We began the process by opening up a dialog about workforce housing and allowing the use of space in individual commercial properties to house that property's employees. But we have miles to go. We have to work creatively on affordable housing issues and also work with the County's new economic development manager to help us identify and acquire appropriate employers who will offer full-time, year-round jobs with a paycheck that can support a family. Both the new emphasis on drone technology and jobs associated with sustainability and resiliency seem to offer real opportunity for such employment.

We must, however, be active players in the economic development of our region and be creative in the use of housing alternatives because the future we desire will not just happen. We also must be on the same page about wanting a diverse community to be able to make the sacrifices to achieve it.

2. *Our Property Tax has risen 44% in 10 years. 10 years ago, our property tax was 47% of all city revenue. This year it is 55% of that city revenue. What would like to see done to reverse this trend?*

The assertions cited in this question are in error. In 2010, property tax accounted for 51.14% of the City budget. That percentage increased to a high of 55.13% in 2015, before my administration, and is now at the lowest percentage it has been in 10 years, 49.9%. Since 2015, the total tax rate is up 0.105% and the municipal tax rate has increased 0.024%. In 2017 there was no tax increase in the City. There was a slight increase in 2018 due to the legal settlement of a case from the previous administration. In 2019 there was another slight increase due to a decision to have the City do its own recycling – a decision that will ultimately save the taxpayers over 200,000 dollars per year for each of the next 5 years. In 2020, there is no tax increase.

I should note that the fund balance has grown from 3.8 million dollars in 2016, before my administration, to 7.4 million dollars in 2020. Even with using some of that balance to support the City through the COVID pandemic, the balance is still 4 million dollars going into 2021.

3. *City Council and our Administration have taken a wide variety of unique and unusual actions to accommodate our businesses as they struggle to survive what we all hope will be a short-term disaster. We view these measures as temporary expedients to address a crisis situation. Do you agree? How should the city return to our pre-Covid 19 Quality of Life.*

While it is true that COVID 19 has and is affecting our quality of life, I think it is a stretch to suggest that changes made in our City effected that quality, as well. Yes, changes were made. Do those changes, in themselves, change our quality of life? I think not.

Our City's economic viability is dependent on our tourism industry and our businesses are part and parcel of that industry. If businesses thrive so does our City, enabling us to provide for our residents as well as our visitors. With this reality in mind we struggled to find ways for our hospitality related businesses to survive while coping with severe service restrictions. Creating greater opportunities for outdoor seating was one of those ways. The decision has proven very popular. I have received many positive responses from restaurants, from tourists and from local residents. The success of the effort in terms of its popularity and positive fiscal impact suggests that an increase in outdoor dining options should be considered after COVID restrictions are lifted.

The open container ordinance is surrounded by more controversy than is outdoor dining. Predictions about the extra demands placed upon the Police Department or the presence of large, out of control gatherings have proven unfounded. For our businesses the decision was a life-saver. It is not unusual for a restaurant to make a majority of their profit from the sale of alcohol and so, when both their food and beverage options were restricted, the situation became dire. What I did not expect was the positive reaction from City residents who have gone out of their way to tell me how much they enjoyed being able to get a drink and go sit on the promenade and enjoy the view. At the present time, The New Jersey Division of Alcoholic Beverage Control (ABC) has extended the exemption on open containers until November. What happens after that date is unclear. I believe that the City should have a conversation about what we learned during this special period and what it might meaning going forward.

4. *Despite the urgings of TPA, several months ago our City Council adopted the stand-pat 2020 Budget. Revenue projections and planned spending were not adjusted to anticipate the fiscal and operational damage from the Covid Lockdown that we all knew was about to arrive. That damage is here, and it is real. Revenues are running significant deficits, Municipal Services are being altered, and planned improvements are being delayed. What is your feeling on finding new revenue sources and/or reducing spending to address this issue?*

This question is not neutral but rather asks the responder to accept an assessment that I do not accept.

In March, we were adopting the budget with no clear understanding of what the impact of COVID 19 would be on the City's economy. We sought out professional advice about two options. These options were 1) to assume what the level of COVID impact would be and make cuts to a budget based upon those assumptions or 2) to accept the budget as created and manage expenditures against revenues in real time. The difficulty with option 1 is that, unlike a family budget, a City budget cannot be cut and then restored when the worst case does not happen. Cuts to the 2020 budget could not be restored until 2021. To quote an old phrase "don't make bedrock decisions in a swamp." One of the most reasonable approaches to the unknown is to continue to move forward with the ability to adjust quickly as circumstances develop.

Choosing Option 2 seemed the best way to deal with an unfolding reality. The decision was also made easier because of 3 things

- An excellent City Manager
- An excellent CFO
- A healthy fund balance.

We are now able to see some of the economic impacts of COVID and the impacts are not nearly as disastrous as some thought they might be in March. For example, the July occupancy tax revenues were projected to be 275 thousand dollars. The actual figure was 349 thousand dollars. This figure represents only a 13 thousand dollar decline from 2019. Beach tag revenues for 2020, including projected December tag sales, appear to be in good shape vis-à-vis budget projections.

The statement that municipal services have been curtailed and planned projects deferred would have happened under either budget option. By choosing option 2 we have chosen not to limit or defer if revenues allow otherwise.

5. *The Sewell Tract is 100+ acres of environmentally sensitive wetland that will have a significant fiscal impact on taxpayers.*

Two separate issues have emerged:

- a. the preservation of this critical natural barrier, and*
- b. The resolution of a 30-year litigation between the owners of the property, the State and Federal government and a private group of citizens who have joined the litigation.*

What is your position on each of these issues?

The most direct way that the Sewell Tract can effect taxpayers is if the area is developed. Taxpayers will be on the hook for all of the infrastructure costs of that development because of promises made by a previous administration. The indirect costs to the taxpayers will be all of the costs that will come because a natural flood remediation system will be destroyed.

The litigation underway is a key to whether preservation or development occurs. For years, the interests of the City have been upheld by a group of citizens who have committed their time and money to champion the cause of preservation. One candidate has proclaimed that this group is “on the side” of the developer as a way to cast their efforts as nefarious. It is true that the Concerned Citizens for the Preservation of the Tract have the same interest as the developer because the developer no longer wants to develop the land. The developer wants the State of New Jersey to buy back the land so they can reduce their sunk costs. Concerned Citizens also want the State to buy back the land and then preserve it. This alignment of process interests has no negative implications despite how the issue is twisted.

There are those who would make the case that development of the Sewell Tract would add to the ratable base of the City. The truth is that the flood mitigation issues alone make the ratable base argument irrelevant.

I might add, that the protection of endangered species and fauna of the area is enough to have caused those who granted our Historic Landmark status to point out the value of this remarkable wetland resource.