

EYE ON THE CLIFFS

"Let people know the facts and the country will be safe." Abraham Lincoln

EC for Responsible Government

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June 17, 2021

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COUNCIL RESCINDS EMINENT DOMAIN ORDINANCE KLANJAC PLAN TO BUY 800 SYLVAN LAND IS DEAD

Less than one week after voting to introduce Mayor Kranjac's Ordinance to purchase more than 20 acres of 800 Sylvan's property, the Borough Council voted last night to rescind the Ordinance. On a 5 to 0 vote, with one abstention, the Council withdrew the action that authorized the Borough to condemn the land through its power of eminent domain, and to spend potentially \$100 million or more of taxpayer dollars to buy the land, and to construct 120 units of affordable housing, a new municipal complex and community center, two turf playing fields, as well as a pedestrian bridge or viaduct connecting 800 Sylvan to the Palisades Park lookout.

In response to the June 9 introduction of the Mayor's plan, attorneys for 800 Sylvan promptly filed papers in court, asking that the Borough immediately rescind the Ordinance and cease all activity that violates the terms of the October 2020 Affordable Housing Settlement Agreements. If the alleged breach had not been cured by today, June 17, the Mayor and Council could have been found to be in contempt of Judge Farrington's previous court orders, and subject to harsh punishment, including prosecution, fines, and incarceration. In addition, 800 Sylvan could have been permitted to build an additional 150 residential units on its property, and the Borough could have lost immunity from future builder's remedy lawsuits.

Under Kranjac's plan, had the Borough purchased the 800 Sylvan property, it would have been taken off the Borough's tax rolls and exempt from paying municipal and school taxes. Kranjac's plan now appears to be dead.

On May 21, the Court ordered the Borough to reimburse both 800 Sylvan and the Fair Share Housing Center for their legal costs, which exceeded \$130,000, to defend against the Borough's prior breach of the Settlement Agreements. The Borough's cumulative expenses associated with the protracted Affordable Housing/800 Sylvan Avenue litigation currently exceed \$4 million. This amount does not include an additional \$1.7 million expense appropriation in the Borough's proposed 2021 budget.