

**City of Cape May Planning Board Meeting Minutes
Tuesday, June 10, 2025**

Opening: The meeting of the City of Cape May Planning Board was called to order by Vice Chairperson Michael Jones at 6:30 PM in the City Hall Auditorium. In compliance with the Open Public Meetings Act, adequate notice was provided.

Roll Call:	Mr. Bezaire, Chairperson	Absent
	Mr. Jones, Vice Chairperson	Present
	Mr. Crowley	Present
	Mr. Gorgone	Present
	Mr. Lundholm	Present
	Deputy Mayor McDade	Present
	Mayor Mullock	Present
	Mrs. Reed	Present
	Mr. Riggs	Present
	Mr. Padussis Alt # 1	Present
	Mr. Crippen Alt # 2	Present

Also Present: Rich King, Esquire, Board Solicitor
Craig Hurless, Board Engineer and Planner
Karen Keenan, Board Secretary

Resolution(s):

Motion made by Deputy Mayor McDade to adopt Resolution number 06-10-2025: 1 Mahalo Cape May LLC, 1033 Beach Avenue, Block 1101 Lot(s) 1, seconded by Mrs. Reed and **carried 5-0**. Those in favor: Mr. Gorgone, Deputy Mayor McDade, Mrs. Reed, Mr. Padussis, Mr. Jones. Those opposing: None. Those abstaining: Mayor Mullock, Mr. Crowley, Mr. Lundholm, Mr. Riggs.

Motion made by Deputy Mayor McDade to adopt Resolution number 06-10-2025: 2 Arlene Luciani, 1361A Illinois Avenue, Block 1154 Lot(s) 38, seconded by Mr. Gorgone and **carried 7-0**. Those in favor: Mr. Gorgone, Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Padussis, Mr. Jones. Those opposing: None. Those abstaining: Mr. Lundholm, Mr. Riggs.

Application(s):

**Avue LLC
6 Second Avenue
Block 1012 Lot(s) 15.01**

Member Reed, who was not present at the April 8, 2025 meeting, certified that she listened to the meeting recording and viewed the exhibits submitted at that meeting, so she may vote on the application as a continuation of the prior application hearing.

The hearing of the application resumed. Owner Manny DeMutis, Architect Stephen Fenwick, Traffic Engineer David Shopshire, Hotel Operations Manager Mike Marshall, Engineer and Professional Planner Andrew Schaeffer and Board Engineer and Planner Hurless were present and remained under oath.

The following exhibits were available during the meeting:

- A-1 Existing Conditions Jetty Hotel – Fenwick Architects Sheet A-6 dated 04/09/19
- A-2 Proposed Hotel – Artists Rendering Fenwick Architects Sheet A-5 dated 05/27/22
- A-3 Ground & First Floor Plans – Fenwick Architects Sheet A-1 dated 5/27/22
- A-4 Second & Third Floor Plans – Fenwick Architects Sheet A-2 dated 5/27/22
- A-5 Beach Avenue & Second Avenue Elevations – Fenwick Architects Sheet A-3 dated 5/27/22
- A-6 North & West Elevations -- Fenwick Architects Sheet A-4 dated 5/27/22
- A-7 Seating Plans – Fenwick Architects Sheet A-6 dated 3/27/25
- A-8 1st Floor Furniture Layout – Design Continuum Incorporated dated 3/18/25
- A-9 3rd Floor Furniture Layout – Design Continuum Incorporated dated 3/18/25
- A-10 Site Plan/Rendering – Schaeffer Nassar Scheidegg Consulting Engineers LLC dated 4/4/25

Engineer Hurless summarized his memorandum dated March 27, 2025 for this application for preliminary and final site plan approval and hardship and substantial variance relief at the existing Jetty Motel site. The proposed hotel consists of fifty one bedroom units, three two-bedroom units, 162-seat restaurant, 37-seat bar, 41-seat bar and pool, 29-seat guest library, twelve-seat outdoor terrace and other hotel amenities. Parking for 79 vehicles is proposed including stacked spaces.

He described his completeness review of general requirements with outstanding items including waiver requests from providing a statement to justify the reasons for waivers and variance justification for the number of parking spaces and stacked spaces variances. He said the prior testimony indicated the applicant will comply with sight triangle requirements. The checklist items that must be addressed as conditions of approval include the variances to be provided on the plan. Engineer Hurless explained the discrepancy in application materials and stated the testimony indicated that the architectural plans show the correct room layout and the building plans show the proposed seating plans. The environmental impact statement and traffic impact report require waivers by the board. He recommended a New Jersey Department of Environmental Protection (NJDEP) Coastal Area Facilities Review Act (CAFRA) compliance statement be provided in lieu of the environmental impact statement and the parking assessment report be accepted in lieu of the traffic impact report if these items are waived by the board.

Engineer Hurless said he believes the streets adjoining this property are adequate to handle the traffic for the proposed use that is permitted in the zone. He said the applicant should be required to submit the site plan in digital format as a condition of approval.

Attorney Chacianas said the applicant agrees to obtain all outside agency approvals as required as conditions of approval. Owner DeMutis stated he is unaware of any contamination at the site.

Motion made by Deputy Mayor McDade to grant a waiver of the environmental impact statement acknowledging that there is a condition of approval that they obtain either an extension of the existing DEP permit or a new DEP permit as a condition of approval, seconded by Mr. Lundholm and **carried 9-0.** Those in favor: Mr. Gorgone, Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Lundholm, Mr. Riggs, Mr. Padussis, Mr. Jones. Those opposing: None. Those abstaining: None.

Motion made by Deputy Mayor McDade to grant a waiver of the traffic impact study (not parking assessment) as an indication that the roads are able to handle the proposed use without reconfiguration or expansion, seconded by Mr. Gorgone and **carried 8-1.** Those in favor: Mr. Gorgone, Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Lundholm, Mr. Padussis, Mr. Jones. Those opposing: Mr. Riggs. Those abstaining: None.

Engineer Hurless said he deemed the application conditionally complete.

Motion made by Mr. Jones to deem the application complete subject to application items including variances to be provided on the plan and site plan to be provided in a digital format, and the application received waivers of preliminary site plan approval requirements of an environmental impact statement, provided a NJ DEP Coastal Area Facility Review Act compliance statement is provided and a traffic impact report, as a parking assessment report was provided in lieu, seconded by Deputy Mayor McDade and **carried 9-0.** Those in favor: Mr. Gorgone, Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Lundholm, Mr. Riggs, Mr. Padussis, Mr. Jones. Those opposing: None. Those abstaining: None.

Engineer Hurless described the zoning requirements and review comments on the variances. He stated the applicant has indicated that amenity space is 14,043 square feet of the 56,174 square feet or 25%. Member Crowley asked if the library space is included in the amenity space listed with the restaurant/bar 9,257 square footage. Architect Fenwick testified that the library space was included in the amenity space calculation.

A member of the audience presented a note to Member Crowley, and Vice Chairperson Jones advised the public that they must not speak with board members. The note was retrieved by the board secretary and reviewed by Solicitor King who read the notation on the record. He instructed the board to ignore it.

Engineer Hurless said stacked parking is not permitted and 65 single parking spaces plus 21 stacked spaces totaling 79 spaces are proposed, and 135 parking spaces are required. Engineer Schaeffer testified the correct parking calculations are 57 single parking spaces and 22 stacked parking spaces totaling 79 parking spaces in the plan. Owner DeMutis testified there will be a staff member onsite to provide valet services 24 hours a day, and the largest shift of employees is nineteen. Engineer Hurless said the board has supported stacked parking when valet parking is proposed, but there were no valet parking protocols submitted with the application. He expressed concern about backout parking.

Members had questions about the parking plan. Owner DeMutis said there will be no shuttling to other hotels. Engineer Shaffer said the Americans with Disabilities Act (ADA) rules permit the ADA space can also be an Electric Vehicle (EV) space.

Engineer Hurless expressed concern that if the public could dine at the restaurant, as it will cause widespread parking problems.

Board members were allotted time for questions. Member Lundholm asked if the pool deck was included in the accessory space calculation. Architect Fenwick replied the pool and pool area are not included in the accessory calculation. Discussion ensued. Engineer Hurless said the ordinance does not indicate the pool deck should be included in the accessory use calculation.

The General Review Comments 1-29 were reviewed and explained in detail with all items being classified as conditions of approval. The loading zone is a requirement, and any easement restriction is a legal issue for the applicant. He noted the loading and unloading hours are during business hours which were clarified during testimony to be between 9:00 AM and 5:00 PM. Engineer Hurless advised the Police and Public Works Departments and Environmental and Shade Tree Commissions recommended approval of the project in their reports dated February 25, 2025, March 3, 2025, March 12, 2025 and March 10, 2025. The Fire Department Commission recommended approval with the conditions that the applicant provide location of fire suppression system and proposed FDC location, elevator location and the control room location and whether standpipes are proposed for the building in their report dated February 27, 2025. Owner DeMutis agreed to the Fire Department conditions and to install standpipes at the property. Attorney Chacanas said the applicant agreed to all conditions of approval.

Board members were allotted time for questions.

Members expressed concern about approval of the project by the Historic Preservation Commission (HPC). Attorney Chacanas said an application was refiled with the HPC, and the application for conceptual approval of the project and demolition of the existing structure is on the agenda to be heard at the upcoming HPC meeting on June 16, 2025. He said they agree to HPC approval as a condition of approval.

Vice Chairperson notified the public of the five-minute time limit for comments.

Discussion was opened to the public within two hundred feet at 7:53 PM.

Scott Maslow, 18 Second Avenue, was sworn in by Solicitor King. He objected to the application, specifically the parking variances.

Jay Kloosterboer, 25 Second Avenue, was sworn in by Solicitor King. He objected to the application. He shared a slide show presentation marked Exhibit J-1 which questioned whether an all-inclusive model would work and said state statute prohibits a set price for all-inclusive alcohol. He shared Exhibit J-2 which includes information on the TPG's Resort & Marina on Block Island in Rhode Island and stated the business of this resort is not an all-inclusive resort contrary to the prior testimony.

Craig Ver Steeg, 14 Second Avenue, was sworn in by Solicitor King and is directly next door to the motel. He supported the plan he reviewed in 2018. He objected to the application. He shared Exhibit C-1, a packet of three photos and pointed out the measuring tape in first photo at 25 feet. He said Second Avenue is a mix of commercial and residential properties, and the linen trucks do not use the easement. The trucks stay on Second Avenue and unload. He discussed the standing water as a neighborhood problem, and he had to spend considerable funds to install a water/sewer pit in the ground. He does not want to remediate again.

Paul Johnston, 405 South Beach Avenue, was sworn in by Solicitor King. He objected to the application. He expressed concern about the removal of the wall and parking. He said the applicant created the hardship when he sold two lots that could have been used for parking.

Mark Renna, 12 Second Avenue, was sworn in by Solicitor King. His home is accessed by the easement across the Jetty Motel property. He supports the 2018 plan. He brought a packet of materials that he described; the packets were not distributed to the board. He said South Jersey Gas has a 10-foot easement in the 25-foot easement. Mr. Renna said he is required to insure the easement, and Mr. DeMutis is required to maintain the easement. He objects to the application, as existing cedar and pine trees will be removed, restaurant emissions, noise, and the effect on the sunset ceremonies, oyster fishermen, and beachgoers.

Edward Johnston, 405 South Beach Avenue, was sworn in by Solicitor King. He objected to the application due to parking. He does not believe the all-inclusive plan will work and the only benefit is to the owner not the community. He said the applicant could have used the two lots that were sold for parking.

Christopher Holl, 17 Second Avenue, was sworn in by Solicitor King. He shared Exhibit CH-1, a photo of three trucks parked to make deliveries at his former restaurant lot, Oyster Bay on Lafayette Street. He believed that the estimate of employees is low and objected to the application due to safety concerns for pedestrians and the backout parking of the trucks.

Chris Johnson, 305 Beach Avenue, was sworn in by Solicitor King. He believes there are holes in the application and objected to the application.

Discussion was opened to the public beyond two hundred feet at 8:54 PM.

Joseph Milligan, 30 First Avenue, was sworn in by Solicitor King. He objected to the application due to congestion, traffic noise and the change of the character of Cape May.

Jayne Lester, 26 First Avenue, was sworn in by Solicitor King. She said the homes in the neighborhood have increased in size, and the traffic in the area has increased. She would like to see the existing motel renovated to retain the character of the neighborhood.

Chris Hein, 7 Swan Avenue, was sworn in by Solicitor King. He objected to the application on the legal standards for variances, as there is no substantial benefit to the neighborhood nor hardship demonstrated.

Richard Fellows, 834 Washington Street, was sworn in by Solicitor King. He objected to the application, as he felt the application would have a negative impact on water and sewer. He expressed concern about desalination and water availability.

A short break was taken at 9:08 PM. The meeting resumed at 9:17 PM.

Attorney Amenhauser, of the DeWeese Law Firm, representing objectors, **Scott Maslow and Bobbie Stokes, 18 Second Avenue, Joe and Nancy Schlitzer, 19 Second Avenue, Craig and Lisa Ver Steeg, 14 Second Avenue, and Jay Kloosterboer and Barbara Zicari, 25 Second Avenue**, said the applicant is seeking a c(2) variance and must satisfy five elements: the application relates to a specific property, the purposes of municipal land use law are advanced by the application, the variance can be granted without substantial detriment to the public good, the benefits of the deviation would substantially outweigh any detriment, and will not substantially impair the intent and purpose of the zone plan and zoning ordinance. Attorney Amenhauser said the applicant can only show that the application relates to a specific property, and the applicant did not put any purpose of zoning on the record. He cited the Kaufman case law that a variance should not be granted unless it was a better zoning alternative not just for the benefit of the applicant. He added N.J.A.C. 13:2-23.16 prohibits a license holder from providing unlimited alcoholic beverages.

Engineer Brian Murphy of Pennoni Associates Inc. was sworn in by Solicitor King and was accepted as an expert by Vice Chairperson Jones. He explained that he was present at the April 8, 2025 meeting and testified on behalf of the objectors that the application does not show benefit to the community. Additionally, he said the application does not meet or contradicts the special reasons of zoning: promoting establishment of appropriate population densities, provide sufficient space in appropriate locations, for a variety of agricultural, residential, recreational, commercial and industrial uses and open space to meet the demands of all New Jersey citizens, to encourage the location and design of transportation routes which will promote the free flow of traffic while discouraging locations of such facilities and routes which will result in congestion or blight and promoting the conservation of historic sites and districts, open space, energy resources valuable natural resources in the state and to prevent urban sprawl and the degradation of the environment through improper use of land. He testified the density will prevent the free flow of traffic and shared Exhibit M-1 consisting of two sheets: a portion of Sheet 2 of 5 of the application site plan and a Google Earth overhead photograph of the area with the Jetty Motel indicated by a red square. He testified there is not enough space on the site for the project, it does not promote open space and historic sites and will bring increased congestion to the area. He felt the parking plan is not a good design and provided an example of a car parked in the plan and all the movements that would have to be made to retrieve the car. He said the valets are likely to park on Second Avenue, and there is a 40% parking deficiency. Engineer Murphy opined that the parking arrangement is unreasonable for the application.

Board members were allotted time for questions of Engineer Murphy.

Discussion was closed to the public at 9:46 PM.

Engineer and Planner Schaeffer responded that the building is appropriately sized, as the applicant is not seeking any bulk variances. He said there is no density requirement for hotels, and no lot coverage variance is needed. He said back-out parking is being eliminated, and the trash dumpster is proposed to be relocated inside the building away from the residence. He testified there is room for a car to pass on the driveway even if the loading zone is occupied, and there is enough room to maneuver in the parking area without having to pull out on the street to retrieve a car. He believes the proposal is a better zoning alternative as it will have a lesser impact on the neighborhood.

Traffic Engineer Shropshire concurred with Engineer Schaeffer that the stacked parking works due to the valet system. Manager Marshall said he is not a partner with Owner DeMutis. His company does not operate any all-inclusive hotels, but there are many inclusive packages available. He said less employees are needed, as the menus and seating times will be fixed.

Owner DeMutis provided history on the project starting in 2005 and said he feels capable of running the hotel with limited impact on the neighborhood.

Attorney Chacanas made his closing remarks.

Board members were allotted time for questions. Member Reed asked about any changes to the plan in the future, and Attorney Chacanas replied that the applicant must return to the board for site plan approval. Member Crowley said the size and content of the building concern him.

Solicitor King explained the vote for the board.

Motion made by Deputy Mayor McDade to grant approval of preliminary and final site plan and hardship and substantial benefit variance relief subject to all conditions of approval discussed at the hearing and outlined in the review memorandum from Board Engineer Craig R. Hurless, PE, PP, CME, dated March 27, 2025, seconded by Mayor Mullock and did not carry 2-7. Those in favor: Mr. Gorgone, Mr. Jones. Those opposing: Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Lundholm, Mr. Riggs, Mr. Padussis. Those abstaining: None.

Members gave reasons for their votes. Mr. Gorgone found the application consistent with the master plan and said there is a need for hotel rooms. Vice Chairperson Jones said the property owner has a legal right, and he does not want to lose more hotel rooms. He said the parking issue is minimized by the all-inclusive. Mayor Mullock said the application does not meet the requirements for the variances. Deputy Mayor McDade did not agree with the parking plan. Member Reed agreed with Deputy Mayor McDade and was concerned with deliveries in the easement also. Member Crowley said the design was not conducive for parking (stacked parking allowed for Victorian hotels only), and the concept does not contribute to the community. Members Lundholm and Riggs agreed with Mayor Mullock. Member Padussis said the hardship was not proven to him, and the town is not ready for a parking experiment.

Discussion:

Payment of Bills

Motion made by Mr. Lundholm to approve the payment of bills, seconded by Mr. Riggs, and carried 9-0. Those in favor: Mr. Gorgone, Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Lundholm, Mr. Riggs, Mr. Padussis, Mr. Jones. Those opposing: None. Those abstaining: None.

Motion made to adjourn by Deputy Mayor McDade at 10:37 PM with all in favor. The meeting was restarted at 10:38 PM.

Discussion:

Master Plan Consistency Review of Draft Ordinance ____-2025, An Ordinance Amending Chapter 417 of the City Code to Clarify Exemptions From Site Plan Review

Engineer Hurless described his consistency review for the proposed ordinance that clarifies the exemptions from site plan regarding whether a site plan review should be required for development of a quad. He said the proposed ordinance is consistent with the master plan.

Master Plan Consistency Review of Draft Ordinance ____-2025, An Ordinance Amending Chapter 417 of the City Code to Clarify Design Standards for Exterior Air Conditioning Units in the R-4 Zone

Engineer Hurless shared his consistency review of this draft ordinance, as there was a case where an air conditioner was installed above the roof line in the R-4 District in Village Green. He said the ordinance is consistent with the master plan and can be recommended to the governing body.

Motion made by Mr. Riggs that the draft ordinances are consistent with the master plans, seconded by Mrs. Reed, and carried 9-0. Those in favor: Mr. Gorgone, Mayor Mullock, Deputy Mayor McDade, Mrs. Reed, Mr. Crowley, Mr. Lundholm, Mr. Riggs, Mr. Padussis, Mr. Jones. Those opposing: None. Those abstaining: None.

Draft Ordinance ____-2025 An Ordinance Amending Chapter 194 of the City Code to Require Notification of Work to Adjoining Owners Sharing a Party Wall

Engineer Hurless reviewed the draft ordinance amending chapter 194 of the city code to require notification of work to adjoining owners sharing a party wall. He said it is a good neighbor policy to notify neighbors in side by side duplexes or quads when proposing work that requires a construction permit.

Member Riggs asked if there is a mechanism to notify people within a condominium association already. It was determined condominium rules already dictate notification procedures. All board members were in favor of the ordinance.

Motion made to adjourn by Member Riggs at 10:45 PM with all in favor.

Respectfully submitted: Karen Keenan, Board Secretary