

FISCAL IMPACT ANALYSIS

MEER TRACT REDEVELOPMENT

BOROUGH OF BLOOMINGDALE
PASSAIC COUNTY, NEW JERSEY

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IN THE
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PASSAIC COUNTY, NEW JERSEY

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SUMMARY OF FINDINGS PROPOSED MEER TRACT REDEVELOPMENT

- The development that is the subject of this evaluation involves a proposal by for the development of a 180 ± acre tract of land (Meer Tract) for an expansion of the quarrying operations from the adjacent Tilcon property that will facilitate the creation of a 35 ± acre site for a residential development containing 360 multi-family rental housing units, including 72 “affordable” housing units.
- The current development plans contemplate the an expansion of the existing and adjacent quarrying operations plus construction of 360 multi-family rental housing units, including 288 “market” and 72 “affordable” housing units. The 288 “market” housing units would be comprised of 173 one-bedroom units and 115 two-bedroom units with monthly rents ranging from \$1,785 to \$2,100. The 72 “affordable” housing units will be offered in the required mixture of one-, two-, and three-bedroom units and will have monthly rents calculated to be affordable to families with “very low”, “low” and” moderate” incomes. Based upon these development plans, the completed mixed-use development would represent a value of \$48,620,550 with an estimated assessment of \$45,042,100.
- The proposed mixed-use development, with 10 employees and 725 anticipated residents, would have allocated, tax-supported, municipal service costs of \$198,510 had it been completed during 2015. Added municipal tax revenues from the proposed mixed-use development would have amounted to \$488,260 at the current tax rate, and would fully offset the allocated municipal service costs of \$198,510, to yield a municipal revenue surplus of \$289,750.
- Utilizing the standard (Statewide) and “affordable” demographic multipliers published by the Center for Urban Policy Research (CUPR), the 288 “market” housing units would be estimated to generate 22 public school children. The 72 “affordable” housing units would be estimated to generate 48 public school children, resulting in a total of 70 public school students that would be expected to be enrolled in public schools with an allocated cost of \$457,620. These school district costs would be fully offset by added school district tax revenues of \$967,050, to yield a annual revenue surplus amounting to \$509,430.
- The “market” components of the proposed redevelopment (expanded quarry and 288 “market” housing units) would generate annual tax revenues totaling \$1,657,300 that would offset their allocated costs of \$453,670 to yield an annual revenue surplus of \$1,203,630. The “affordable” component (72 affordable housing units) is estimated to generate annual tax revenues totaling \$168,710 and tax-supported costs of \$445,150, resulting in a revenue deficit of \$276,440. The revenue surpluses generated by the “market” components (\$1,203,630) is sufficient to fully offset the revenue deficits of the “affordable” housing units (\$276,440) to yield an overall (combined) revenue surplus of \$927,190.
- In addition to the annual fiscal effects, the expansion of the quarry and the accompanying residential development would also generate non-recurring revenues resulting from the deeding of the residential site to the Borough an its subsequent sale at an estimated \$10,656,000 as well as water and sewer connection fees amounting to \$3,168,000. The proposed redevelopment would also be expected to result in private sector impacts, with 408 construction-related jobs with \$18.7 million of payrolls during the construction phase. When completed, the proposed redevelopment would be location of 10 jobs and 360 households, and these activities could be expected to result in \$21.5 million of annual personal expenditures

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY OF FINDINGS	1
INTRODUCTION	2
ECONOMIC BASE AND FISCAL PROFILE	3
General Characteristics	3
Population	3
Housing Trends	8
School System	11
Commercial Development	11
RATABLE BASE AND TAX RATE	14
Ratable Base	14
Effective Tax Rates	16
Overview	18
PROJECT DESCRIPTION AND FISCAL IMPACTS	19
Project Description	19
Population Determinants	20
Attached Housing Units	22
Affordable Housing Demographics	22
Added Population	23
Estimated Employment	23
Added Services	24
IMPACT ANALYSIS	25
Fiscal Impact	25
Assumptions, Conditions and Qualifications	25
MUNICIPAL IMPACT	27
Municipal Costs	27
Non-Residential Costs	29
Residential Costs	29
Cost Allocations	29
Municipal Revenues	30
Local Use Tax Revenues	30
Municipal Summary	30
SCHOOL SYSTEM IMPACT	31
Bloomington School District Costs	31
School District Revenues	32
School District Tax Revenues	32
School District Summary	32
COUNTY SERVICES IMPACT	33
County Costs	33
Non-Residential Costs	34
Residential Costs	34
County Revenues	35
FISCAL IMPACT OVERVIEW	36
Impact Summary	36
Ratable Base and Per Pupil Comparisons	38
Additional Revenues	39
Alternate Use	39
ECONOMIC IMPACTS	40
Construction Phase Impacts	40
Operational Phase Impacts	41
APPENDICES	

INTRODUCTION

The ensuing evaluation has been undertaken at the request of the Borough of Bloomingdale in order to provide an examination of the anticipated impact of the redevelopment of a 180 ± acre property (Meer Tract) upon the economic base and the fiscal infrastructure that exists in the Borough of Bloomingdale in Passaic County. The initial section of this evaluation presents a historical profile of the Borough's residential and non-residential growth trends and documents the manner in which the Borough generates and distributes municipal revenues and school district revenues. The findings of the fiscal profile are reviewed from a historical, as well as a present, perspective.

The second phase of the research undertaken involves a statistical analysis of the anticipated fiscal and economic effects that would be expected to result from the expansion of the quarrying operations of the adjacent Bloomingdale Quarry on a portion of the Meer Tract, including the leveling of approximately 35 ± acres in order to accommodate a residential development containing 360 multi-family housing units, including 72 "affordable" housing units. The data and evaluations contained on the following pages describe the nature and magnitude of the development plan, considers the available infrastructure of the community, and calculates the need for services resulting from the development.

The research and analysis undertaken herein is intended to provide information whereby changes in services and facilities necessitated by the proposed development can be accomplished smoothly, with foresight, and without interruption of existing operations. Of particular concern in the following evaluation is detailed information pertaining to:

- a) the economic and demographic composition of the Borough of Bloomingdale, including historic and current levels of housing, population, employment, and school enrollments;
- b) the residential and non-residential ratable bases of Bloomingdale, the changes occurring in each during recent years, and the effective tax rate of the Borough;
- c) the nature, scope, and magnitude of the proposed development; and
- d) the fiscal impact of the development upon municipal, school district, and County operations, to include changes in tax revenues and budgetary appropriations, as well as the impact upon the existing tax structure.

ECONOMIC BASE AND FISCAL PROFILE

An examination of the current and historic characteristics of the Borough of Bloomingdale and the manner by which the Borough derives its revenues and manages its appropriations is a precursor to a fiscal impact analysis of the planned mixed-use redevelopment. This examination will furnish a useful insight into the nature of local fiscal operations and a benchmark by which changes may be measured and anticipated.

General Characteristics

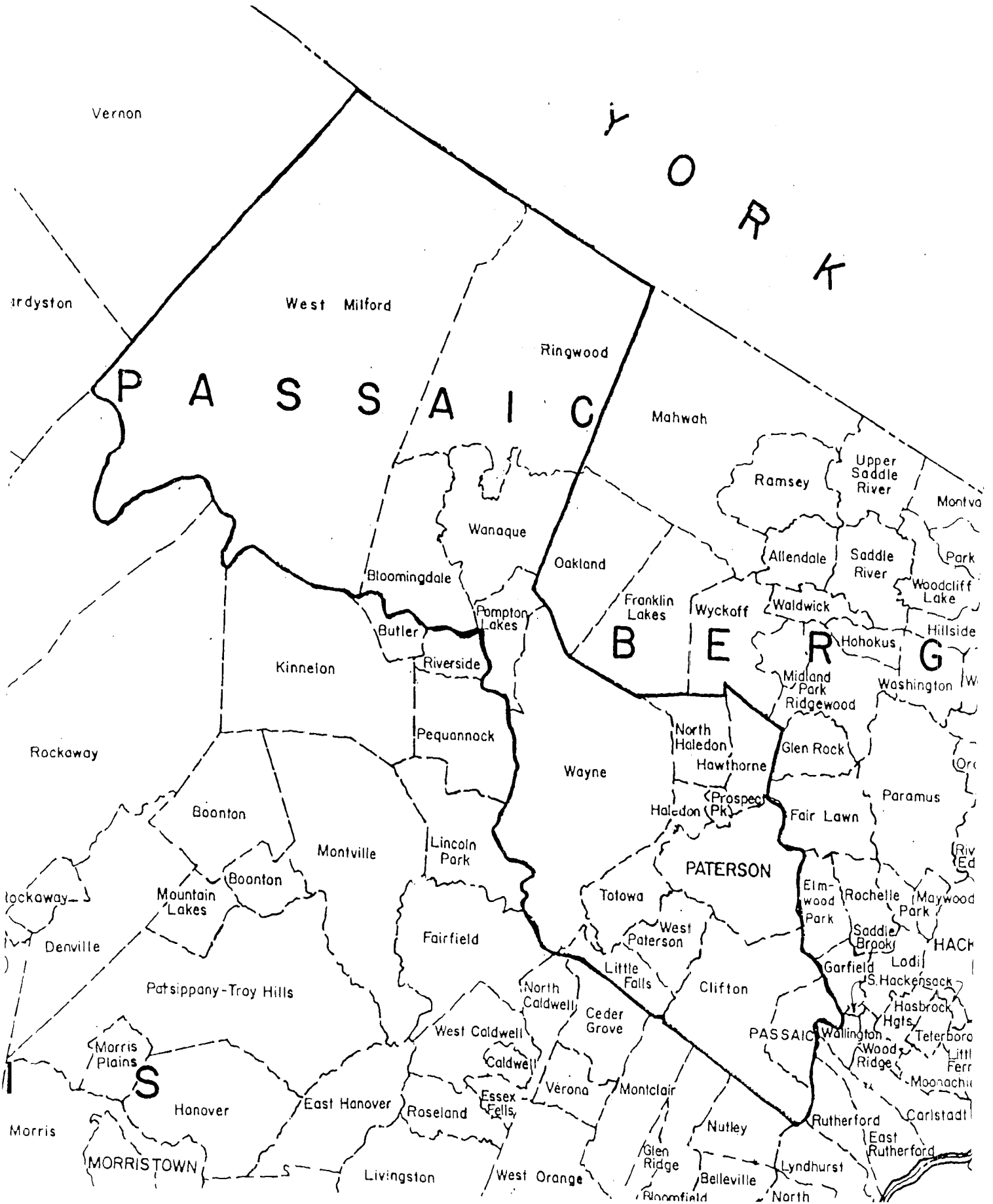
The Borough of Bloomingdale, an established community that is located in the south central portion of Passaic County along the County's boundary with Morris County. The Borough, as illustrated on Figure 1, is bounded by Pompton Lakes Borough, Ringwood Borough, Wanaque Borough and west Milford Township in Passaic County and by Butler Borough and Riverdale Borough in Morris County. The Borough of Bloomingdale, itself, includes a land area of 8.71 square miles, or approximately 4.72 percent of Passaic County's total land area of 184.59 square miles.

Population - Bloomingdale contained a total population of 5,293 persons at the time of the 1960 Census. During the 1960's, Bloomingdale's population increased by 2,504 persons (47.3 percent) and resulted in a population of 7,797 persons at the time of the 1970 Census. A population decrease was recorded during the 1970's with a gain of 70 persons (0.9 percent) to yield a total population of 7,867 persons as of the 1980 Census.

Between 1980 and 1990, the population of Bloomingdale decreased by 337 persons (3.8 percent), to yield a total population of 7,530 persons in 1990. In 1990, the population of Bloomingdale represented 1.66 percent of Passaic County's total population of 453,060 persons at that time. Between the 1990 and 2000 Census of Population, Bloomingdale experienced a population increase of 80 persons, and resulted in the Borough's reported population of 7,610 persons at the time of the 2000 Census of Population. According to the reports available from the 2010 Census of Population, the Borough's population experienced a population increase amounting

FIGURE 1

LOCATION MAP



to 46 persons (0.6 percent) persons during the 10 year period intervening the 2000 and the 2010 Census of Population with a total population of 7,656 persons reported at the time (April 1, 2010) of the 2010 Census. The most recent municipal population estimates prepared by the Bureau of the Census indicate that Bloomingdale's population had increased to 8,178 persons as of July 1, 2014. These population trends are summarized below:

Population Trends
Borough of Bloomingdale

	<u>Census</u>						<u>Est</u>
	<u>1960</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2014</u>
Population	5,293	7,797	7,867	7,530	7,610	7,656	8,178
Change	-----	2,504	70	(337)	80	46	522
Percent Change	-----	47.3	0.9	(3.8)	1.1	0.6	6.8

Between 1980 and 2010, Bloomingdale accounted for a decreasing share of the County's total population, from 1.76 percent in 1980 to 1.53 percent in 2010. According to the most recent population estimates by the Bureau of the Census, the Borough's share of the County's total population had increased to 1.61 percent in the 2014 population estimates. This information is tabulated below, and the 1990, 2000 and 2010 Census population characteristics of Bloomingdale are profiled in Table 1 while the age characteristics of the Borough's residents are further detailed in Table 2.

Population Trends
Bloomingdale as a Share of Passaic County

	<u>1960</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2014</u>
Bloomingdale	5,293	7,797	7,867	7,530	7,610	7,656	8,178
Passaic Co.	406,618	460,782	447,585	453,060	489,049	501,226	508,856
Borough / Co. - %	1.30	1.69	1.76	1.66	1.56	1.53	1.61

Since 1980, the Borough's population base reflects a maturing of its residents with increases in the median age of the population from 30.4 years in 1980, to 33.5 years in 1990, to 37.9 years in 2000 and to 41.8 years in 2010. In 2010, 23.1 percent of Bloomingdale's total population was 19 years of age or younger, compared to 32.5 percent of the population in 1980.

TABLE 1

**BLOOMINGDALE BOROUGH POPULATION BASE
1990, 2000 and 2010 CENSUS**

	<u>1990</u>	<u>2000</u>	<u>2010</u>
TOTAL POPULATION	7,530	7,610	7,656
Male	3,715	3,763	3,766
Female	3,815	3,847	3,890
 AGE			
Under 5 years	520	509	430
5 to 17 years	1,138	1,187	1,188
18 to 20 years	308	216	229
21 to 24 years	496	270	264
25 to 44 years	2,667	2,611	2,123
45 to 54 years	973	1,066	1,350
55 to 59 years	393	452	489
60 to 64 years	325	396	450
65 to 74 years	437	481	632
75 to 84 years	223	305	347
85 years and over	50	117	154
Median age	33.5	37.9	41.8
Under 18 years	1,658	1,696	1,618
Percent of total population	22.0	22.3	21.1
65 years and over	710	903	1,136
Percent of total population	9.4	11.9	14.8
 HOUSEHOLDS BY TYPE			
Total households	2,747	2,847	2,935
Family households (families)	2,094	2,077	2,034
Married-couple families	1,763	1,734	1,645
Percent of total households	64.2	60.9	56.0
Other family, male householder	83	94	127
Other family, female householder	248	249	262
Non family households	653	770	901
Percent of total households	23.7	27.0	30.7
Householder living alone	507	623	736
Householder 65 years and over	169	176	237
Persons living in households	7,530	7,488	7,535
Persons per household	2.74	2.63	2.57
Persons living in group quarters	0	122	121
Institutionalized persons	0	116	116
Other persons in group quarters	0	6	5

TABLE 2

**BLOOMINGDALE BOROUGH, PASSAIC COUNTY
1980, 1990, 2000 and 2010 Census**

<u>Age Cohorts</u>	<u>1980 Census</u>		<u>1990 Census</u>		<u>2000 Census</u>		<u>2010 Census</u>	
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
0 - 4	516	6.6	522	6.9	509	6.7	430	5.6
5 - 9	542	6.9	393	5.2	528	6.9	436	5.7
10 - 14	695	8.8	469	6.2	424	5.6	462	6.0
15 - 19	803	10.2	456	6.1	358	4.8	441	5.8
20 - 24	685	8.7	638	8.5	353	4.6	339	4.4
25 - 29	635	8.1	740	9.8	473	6.2	456	6.0
30 - 34	685	8.7	774	10.3	708	9.3	504	6.6
35 - 54	2,049	26.0	2,107	28.0	2,496	32.8	2,513	32.8
55 - 59	429	5.5	409	5.4	452	5.9	489	6.4
60 - 64	262	3.3	313	4.2	396	5.2	450	5.9
65 - 74	357	4.5	427	5.7	481	6.3	632	8.3
75+	209	2.7	282	3.7	422	5.6	504	6.6
Total	7,867	100.0	7,530	100.0	7,610	100.0	7,656	100.0
Median Age	30.4		33.5		37.9		41.8	

Housing Trends - Notwithstanding the population declines reported during the 1980's, Bloomingdale has experienced an ongoing expansion of its housing inventory since 1960. During the 1960's, the Borough issued building permits authorizing the construction of 572 new housing units within the Borough. An additional 395 residential dwellings were authorized during the 1970's. By 1980, Bloomingdale contained a total of 2,649 year-round housing units of which 2,591 units (97.8 percent) were reported to be occupied. The 2,649 year-round housing units included 2,189 units in one-unit structures, 308 units in structures of 2 to 9 housing units, 150 units in structures of 10 or more housing units and 2 housing units classified as "mobile home or trailer". In 1980, 1,900 of the 2,610 occupied housing units within Bloomingdale, or 73.3 percent, were reported to be owner-occupied.

During the 1980's, housing construction in Bloomingdale decreased from the rates observed during the 1970's (40 units/year). As indicated in Table 3, during the period from January 1980 through December 1989, Bloomingdale issued building permits authorizing the construction of 158 residential units, or an average of 16 units/year. Between 1990 and 1999, a significantly reduced level of residential construction occurred in Bloomingdale, with the Borough authorizing the construction of 106 new housing units between 1990 and 1999, or an average of 11 new homes annually. The Borough authorized an additional 36 new housing units, or an average of 4 units per year from 2000 through 2009. During the past five years (2010 through 2014), Bloomingdale has reported the issuance of 176 building permits authorizing new residential construction. The Borough's building permit trends are further detailed on Table 3.

The 1990 housing stock of Bloomingdale reflects a housing base that is predominantly comprised of owner-occupied and single-family detached and attached housing units with owner-occupied homes accounting for 73.5 percent of the total occupied housing units. In 1990, 729 housing units (26.5 percent) were reported to be renter-occupied. Single-family detached and attached homes accounted for 2,171 of the Borough's 2,916 total housing units in 1990, while 720 housing units were located in multi-family housing structures and 25 housing units were classified as "mobile home, trailer or other".

Between the 1990 and 2000 Census, the total number of housing units in Bloomingdale increased from 2,916 housing units to 2,940 housing units, for an increase of 24 housing units while

TABLE 3
BLOOMINGDALE BOROUGH, PASSAIC COUNTY
RESIDENTIAL CONSTRUCTION
AUTHORIZED BY BUILDING PERMITS

<u>Year</u>	Residential		Residential		Residential		Residential		Residential		Residential	
	<u>Units</u>	<u>Year</u>	<u>Units</u>	<u>Year</u>	<u>Units</u>	<u>Year</u>	<u>Units</u>	<u>Year</u>	<u>Units</u>	<u>Year</u>	<u>Units</u>	<u>Year</u>
1960	162	1970	29	1980	11	1990	5	2000	5	2010	0	2010
1961	45	1971	22	1981	4	1991	4	2001	5	2011	1	2011
1962	76	1972	134	1982	4	1992	13	2002	2	2012	6	2012
1963	65	1973	88	1983	28	1993	8	2003	3	2013	169	2013
1964	52	1974	82	1984	13	1994	20	2004	2	2014	0	2014
1965	37	1975	5	1985	13	1995	5	2005	2			
1966	36	1976	23	1986	45	1996	8	2006	0			
1967	35	1977	2	1987	16	1997	25	2007	2			
1968	52	1978	3	1988	17	1998	13	2008	1			
1969	<u>12</u>	1979	<u>7</u>	1989	<u>7</u>	1999	<u>5</u>	2009	<u>14</u>			
Sub- Total	572	1970-79	395	1980-89	158	1990-99	106	2000-2009	36	Sub- Total	2010-2014	176

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, Residential Building Permits, Annual Summaries 1960-2014.

the total number of occupied households increased by 100 units, from 2,747 households in 1990 to 2,847 households in 2000. Owner-occupied households in Bloomingdale, which accounted for 73.5 percent of the Borough's occupied households in 1990, represented 74.7 percent of the Borough's 2,847 occupied households in 2000. The initial reports of the 2010 Census disclose that Bloomingdale's total population amounted to 7,656 residents, with 7,535 persons occupying 2,935 of the Borough's 3,089 total housing units at the time of the 2010 Census. The Borough's 1990, 2000 and 2010 housing characteristics are further detailed in Table 4.

School System - The Borough of Bloomingdale operates its own school district which provides educational services for the Borough's students in grades K through 8 and maintains a "sending" relationship with the Borough of Butler (Morris County) for Bloomingdale's students in grades 9 through 12. The number of students "on roll" in the Bloomingdale School District decreased from 1,984 students in the 1975-76 school year to 933 students in the 1990-91 school year, for a decrease of 1,051 students (53.0 percent). During the 1990's, the number students enrolled in the Bloomingdale School District increased slightly, with 952 students reported during the 1999-00 school year and 954 students enrolled during the 2007-08 school year. Since 2008, enrollments in Bloomingdale School District have continued to decline somewhat, with 912 students enrolled during the 2012-13 school year and 882 students on roll during 2015-16 school year. The enrollment trends of Bloomingdale students are further detailed in Table 5.

Commercial Development - According to reports of the New Jersey Department of Labor, during 1975 there were 581 persons covered by New Jersey Unemployment Compensation (covered jobs) employed within Bloomingdale. Between 1975 and 1985, the Borough's employment base increased by 62 jobs to a total of 643 jobs in 1985. During this ten-year period (1975-85), employment in Bloomingdale increased by an average of 6 jobs each year. The Borough experienced another increase in its employment base during the ensuing ten-year interval (1985-95) with 720 jobs reported in Bloomingdale during 1995. Between 1995 and 2005, local employment was reported to have increased by 309 jobs to 1,029 jobs reported in 2005. Employment in the Borough decreased to 911 jobs in 2010, and further declined to 878 jobs reported in 2014. This information is further detailed in Table 6.

TABLE 4

**BLOOMINGDALE BOROUGH , PASSAIC COUNTY
1990, 2000 and 2010 CENSUS**

	<u>1990</u>	<u>2000</u>	<u>2010</u>
TOTAL HOUSING UNITS	2,916	2,940	3,089
Occupied housing units	2,747	2,847	2,935
Owner occupied	2,018	2,127	2,137
Percent owner occupied	73.5	74.7	72.8
Renter occupied	729	720	798
Vacant housing units	169	93	154
For seasonal, recreational, or occasional use	51	39	37
Homeowner vacancy rate (percent)	1.1	0.6	0.6
Rental vacancy rate (percent)	10.4	1.9	8.4
Persons per owner-occupied unit	2.98	2.82	2.77
Persons per renter-occupied unit	2.09	2.07	2.04
 UNITS IN STRUCTURE			
1-unit, detached	2,096	2,180	*
1-unit, attached	75	111	*
2 to 4 units	341	214	*
5 to 9 units	130	136	*
10 or more units	249	297	*
Mobile home, trailer, other	25	8	*
VALUE			
Specified owner-occupied units	1,817	2,063	*
\$Less than \$50,000	10	0	*
\$50,000 to \$99,000	45	30	*
\$100,000 to \$149,000	330	382	*
\$150,000 to \$199,000	992	1,090	*
\$200,000 to \$299,000	390	440	*
\$300,000 or more	50	121	*
Median (dollars)	172,200	177,000	*
 CONTRACT RENT			
Specified renter-occupied units paying cash rent	705	707	*
Less than \$250	11	5	*
\$250 to \$499	64	13	*
\$500 to \$749	480	82	*
\$750 to \$999	102	402	*
\$1,000 or more	48	188	*
Median (dollars)	676	899	*

* Detailed housing characteristics from the 2010 Census are not yet available.

TABLE 5
BLOOMINGDALE BOROUGH , PASSAIC COUNTY
PUBLIC SCHOOL ENROLLMENT

<u>Year</u>	<u>Students</u>	<u>\$ Cost/Student</u>
1975-76	1,984	1,337
1976-77	1,955	1,602
1977-78	1,865	1,789
1978-79	1,764	1,991
1979-80	1,617	2,302
1980-81	1,514	2,577
1981-82	1,440	2,856
1982-83	1,328	3,377
1983-84	1,245	3,686
1984-85	1,203	4,105
1985-86	1,162	4,524
1986-87	1,117	5,122
1987-88	1,042	5,934
1988-89	1,011	6,879
1989-90	977	7,600
1990-91	933	8,429
1991-92	939	8,587
1992-93	976	8,621
1993-94	976	9,286
1994-95	987	9,097
1995-96	987	9,446
1996-97	1,015	9,074
1997-98	1,060	9,486
1998-99	994	10,418
1999-00	952	10,975
2000-01	966	11,191
2001-02	966	11,807
2002-03	966	12,498
2003-04	984	12,518
2004-05	967	13,314
2005-06	949	14,024
2006-07	959	14,727
2007-08	954	15,883
2008-09	951	16,367
2009-10	950	16,554
2010-11	929	16,979
2011-12	913	17,475
2012-13	912	18,469
2013-14	880	19,281
2014-15	887	21,284
2015-16	882	22,234

Source: Rutgers University, Bureau of Government Research, N J Legislative District Data Book (1975-2012); N J Dept of Education, 2013-15. The net cost per pupil is the general fund budget per pupil, as implemented under(CEIFA), is equal to the sum of general fund tax levy, budgeted general fund balance, miscellaneous revenue, and most forms of state formula aid. The per pupil cost for the 2013-14, 2015-15 and 2015-16 school years reflects total operating expenditures

TABLE 6
PRIVATE SECTOR EMPLOYMENT
BLOOMINGDALE BOROUGH , PASSAIC COUNTY
(Covered by New Jersey Unemployment Compensation)

<u>Year</u>	<u>Bloomingtondale Borough</u>	<u>Passaic County</u>	<u>Borough/ County (%)</u>
1975	581	151,729	0.4
1980	457	157,976	0.3
1981	494	161,466	0.3
1982	463	156,948	0.3
1983	498	162,776	0.3
1984	551	167,628	0.3
1985	643	168,252	0.4
1986	663	173,275	0.4
1987	836	179,165	0.5
1988	741	178,806	0.4
1989	752	173,764	0.4
1990	737	164,622	0.5
1991	605	155,246	0.4
1992	592	152,515	0.4
1993	587	151,563	0.4
1994	629	155,388	0.4
1995	720	153,682	0.5
1996	889	150,630	0.6
1997	1,008	152,041	0.6
1998	954	151,640	0.6
1999	895	152,773	0.6
2003	997	148,056	0.7
2004	1,099	145,147	0.8
2005	1,029	147,050	0.7
2006	1,017	147,503	0.7
2007	1,023	147,329	0.7
2008	1,049	145,258	0.7
2009	897	137,690	0.7
2010	911	141,252	0.6
2011	921	142,610	0.6
2012	871	142,352	0.6
2013	902	141,325	0.6
2014	878	137,213	0.6

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, New Jersey Covered Employment Trends. Employment is as of September 30th.

RATABLE BASE AND TAX RATE

The economic and demographic characteristics of the Borough of Bloomingdale are reflected in the Borough's ratable base, and changes in the Borough's household base and commercial development over the past twenty years may be examined in terms of the per parcel and total valuations (assessment) of the taxable properties in the Borough.

Ratable Base

The Borough of Bloomingdale has undertaken periodic property revaluations in order to maintain assessments that approximate current market values. The ratio of assessed value to market value is expressed in the assessment ratio which amounted to 86.00 percent in 2000 and is reported to amount to 92.64 percent in the current (2015-16) assessments. These assessment trends are further detailed in Table 7.

During 2000, the total equalized property valuation in the Borough of Bloomingdale amounted to \$584.1 million. This equalized valuation increased by 65.2 percent between 2000 and 2015, with an equalized assessed valuation of \$799.9 million reported for 2014.

During the period from 2000 through 2015 when the Borough's equalized valuation increased 61.60 percent, the cost of municipal operations reflected in the local use budget increased from \$6,241,600 to \$10,446,935--an increase of \$4,205,335, or 65.2 percent. From 2000 to 2015, the growth of municipal costs (67.4 percent) was above the increase in the equalized taxable base (65.2 percent). The result of these varying growth rates would be a somewhat higher local (municipal purpose) property tax rate levied upon all properties as a percentage of property value.

Residential properties (Class 2) decreased as a share of total ratables from 85.56 percent in 2000 to 84.69 percent in 2015, a relative decrease of 1.0 percent. Non-residential (commercial and industrial) properties amounted to 8.11 percent of valuation in 2000 and 8.64 percent in 2014. These percentage levels and the changes that have occurred since 2000 indicate an increase in the proportion of the total assessments represented by non-residential properties, with commercial and industrial properties now comprising 8.64 percent of total assessments, while residential (Class 2) properties have decreased from 85.56 percent to 84.69 percent of the Borough's total assessed valuation.

TABLE 7

BLOOMINGDALE BOROUGH, PASSAIC COUNTY
RATABLE BASE COMPOSITION
LOCAL USE REVENUES AND TAXES

<u>Year</u>	<u>Assessed</u>	<u>Valuation</u>	<u>Equalized</u>	<u>Percent</u>	<u>State</u>	<u>Local Use</u>	<u>Average</u>
				<u>Comm/Ind</u>	<u>Eq. Ratio</u>	<u>Budget</u>	<u>Residential</u>
							<u>Tax</u>
2000	\$416,284,750	\$484,052,035		8.11	86.00	\$ 6,241,600	\$ 5,007
2015	\$741,103,300	\$799,981,973		8.64	92.64	\$10,446,935	\$10,369

Source: New Jersey Department of Community Affairs, Division of Local Government Services. Annual Reports, 2000; Passaic County Board of Taxation, 2015.

Since 2000, the average equalized value of the Borough’s residential (Class 2) parcels has increased substantially. During 2000, the average equalized residential (Class 2) property assessment amounted to \$167,785 per parcel and, by 2015, this per parcel average has increased to an equalized value of \$276,085.

In 2000, the average residential tax bill in the Borough of Bloomingdale was \$5,007 and between 2000 and 2015, this average annual tax increased at an annual average rate of 4.99 percent, resulting in a 2015 average residential (Class 2) tax of \$10,369. This assessment and tax information is detailed on Table 8.

Effective Tax Rates

The local (general) tax rates levied in the Borough of Bloomingdale reflect the ratio of assessed to true (market) value of the assessments in the Borough. In 2000, the local (general) tax rate in Bloomingdale was \$3.470 per \$100 of assessed value. By 2015, this general tax rate had increased to \$4.054 per \$100 of assessed value. The increase in the general tax rate was accompanied by an increase in the assessment ratio from 86.00 percent to 92.64 percent. On an “equalized valuation” basis, the tax rate relative to current values increased between 2000 and 2015, with a increase in the equalized or “effective” tax rate in the Borough of Bloomingdale from \$2.981 per \$100 during 2000 to \$3.755 per \$100 of equalized valuation in 2015:

**Bloomingdale Borough, Passaic County
Local and Equalized Tax Rates**

<u>Year</u>	<u>Local Rate/\$100</u>	<u>State Equalization Ratio</u>	<u>Equalized Rate/\$100</u>
2000	\$3.470	86.00	\$2.981
2014	\$4.054	92.64	\$3.755

TABLE 8

**BLOOMINGDALE BOROUGH, PASSAIC COUNTY
AVERAGE RESIDENTIAL¹ ASSESSMENTS AND TAXES**

PROPERTY TAXES						
<u>Year</u>	Average Residential <u>Assessment</u>	Equalized Residential <u>Assessment</u>	Total <u>Tax</u>	Local <u>Use</u>	School <u>District</u>	<u>County</u>
2000	\$144,295	\$167,785	\$ 5,007	\$ 1,403	\$2,681	\$ 923
2015	\$255,765	\$276,085	\$10,369	\$2,773	\$5,491	\$2,105

Source: New Jersey Department of Community Affairs, Division of Local Government Services, Annual Reports, 2000; Passaic County Board of Taxation, 2015.

¹ Class 2 Residential Properties

Overview

The preceding review of the economic, demographic, fiscal and financial characteristics of Bloomingdale has disclosed the Borough to be an established community that accounts for 4.71 percent of Passaic County's land area but accounts for 1.58 percent of the County's 2010 population and 0.64 percent of the County's 2010 employment base. The Borough's population declined during the 1980's but has experienced modest growth through 2010 resulting in a 2010 population that was still somewhat below the Borough's population in 1970. Employment in Bloomingdale, which amounted to 1,099 private sector jobs in 2009, decreased to 878 jobs in 2014.

The review of the enrollment trends in the Bloomingdale School District disclosed a declining enrollment from the mid-1970's through the early 1990's which has been followed by continued enrollment declines from 1998 through the current (2015-16) school year. Between 2000 and 2015, the equalized valuation (assessments) in Bloomingdale increased from \$484.1 million to \$799.9 million.

PROJECT DESCRIPTION AND FISCAL IMPACTS

On the preceding pages, the economic base and fiscal infrastructure of the Borough of Bloomingdale have been examined and quantified. With the information and insight gained in the foregoing examination, it is now possible to estimate the costs, revenues, and overall fiscal effects that would be expected to accompany the construction and occupancy of the proposed mixed-use, quarry and inclusionary housing development.

Project Description

The development that is the subject of the ensuing fiscal assessment involves a proposal for the development of a 180 ± acre tract of land located within the Borough of Bloomingdale (Block 105, Lot 14) and known as the Meer Tract for an expansion of the quarrying operations from the adjacent Tilcon property that will facilitate the creation of the a new residential development containing 360 multi-family rental housing units, including 72 “affordable” housing units. The proposed development is the subject of long standing litigation an Order from the Superior Court of New Jersey, Law Division, Passaic County. Tilcon proposes that, in conjunction with the expanded quarrying operations on the Meer tract, a portion of the property (approximately 35 acres) of the western side nearest Union Avenue, will cleared, graded and prepared for residential development and deeded to the Borough. Specific development plans for the contemplated residential development have not yet been prepared and the following evaluation presents an assessment of the type of residential development that is believe likely to be accommodated on the subject property. Subject to the Court Order and consistent with the April 29, 2014 Periodic Reexamination of Master Plan, the new residential development would be expected to include 288 “market” housing units and 72 “affordable” housing units, all of which would be expected to rental units.

The 288 “market” housing units would be comprised of 173 one-bedroom units and 115 two-bedroom units with monthly rents ranging from \$1,785 to \$2,100, with an average market rent of \$1,911. The 72 “affordable” housing units will be offered in the required mixture of one-, two-, and three-bedroom units (14 one-bedroom units, 43 two-bedroom units and 15 three-bedroom units) and will have monthly rents calculated to be affordable to families with “low” and” moderate” incomes

in accordance with the current affordable housing regulations.. The estimated sales prices of the “affordable” rental units range from \$702 to \$942, with an average estimated monthly rent of \$825.

Based upon the unit distributions in the developer’s plans, the current pricing schedule and discussions with the Borough’s tax assessor, the mixed-use redevelopment in Bloomingdale would be expected to represent an aggregate (completed) value of \$48,620,550. At Bloomingdale’s current assessment ratio of 92.64 percent, the completed mixed-use redevelopment would yield an aggregate assessed valuation of \$45,042,100. This information is further detailed in the following tabulation:

**Proposed Mixed-Use Redevelopment
Borough of Bloomingdale**

<u>Quarry Operation</u>	<u>Acres</u>		<u>Value/Ac</u>	<u>Est. Value</u>
	145.0		\$17,271	\$ 2,504,300 ²
<u>Residential</u>				
<u>Market</u>	<u>Units</u>	<u>(Monthly Rent)</u>	<u>Est Value</u>	<u>Agg Value</u>
1-BR	173	\$1,785	\$135,017	\$ 23,357,880
2-BR	<u>115</u>	<u>\$2,100</u>	<u>\$158,840</u>	<u>\$ 18,266,650</u>
Subtotal	288	\$1,911	\$144,530	\$ 41,624,530
<u>Affordable</u>				
One-Bedroom	14	\$ 702	\$ 53,034	\$ 742,470
Two Bedroom	43	\$ 824	\$ 62,310	\$ 2,679,350
Three-Bedroom	<u>15</u>	<u>\$ 942</u>	<u>\$ 71,327</u>	<u>\$ 1,069,900</u>
Subtotal	72	\$ 825	\$ 62,385	\$ 4,491,720
Sub-Total Residential	360	\$1,694	\$128,101	\$ 46,116,250
Total				\$ 48,620,550
				<i>Estimated Assessment (0.9264)</i>
				\$ 45,042,100

Population Determinants

There are a number of techniques and methods available in demographic analysis which may be utilized to estimate the anticipated population levels that would be generated by a proposed development. No single technique or methodology is universally applicable, accepted, or reliable.

² Equalized assessment of 145 acres at \$16,000/ac/0.9264 =\$2,504,300.

Rather, all methods available for the pro forma calculation of anticipated population are subject to certain limitations.

Among the various techniques available for developing estimates of population, the “comparable” approach, or “case study” method, appears to offer the benefits of actual experiences, timely data, geographic proximities, and known similarities in market sectors and product design. In the “case study” method, population determinants are generated on the basis of the actual occupancy experiences of comparable housing units in similar, recently constructed housing complexes. The reliability of the “case study” model is a function of the comparability of the case study housing units to the units proposed for construction.

Information is also available from the U.S. Department of Commerce, Bureau of the Census, which provides population and housing characteristics that can be examined to estimate municipal population and school children multiplier ratios on a per household basis. In this regard, at the time of the 2010 Census of Population (April 1, 2010), Bloomingdale Borough contained a total population of 7,656 persons, of which 7,535 persons occupied 2,935 of the Borough’s 3,089 total housing units. At this time (2009-2010 school year), there were 950 children from Bloomingdale enrolled in public schools. These statistics indicate that the average household in the Borough of Bloomingdale contained 2.57 persons, including 0.324 public school children.

The proposed redevelopment differs from the Borough’s housing base to the extent that all (100.0 percent) of the proposed homes are “new”, “attached” and “renter-occupied”, as opposed to only 0.6 percent “new”, 25.9 percent “attached” and 27.2 percent “renter-occupied” in the Borough’s housing inventory. Additionally, 72 of the proposed housing units are “affordable” housing units with specific income and occupancy requirements. In view of the differences in the type of housing units that are proposed vis-a-vis Bloomingdale’s existing housing base, the use of municipal demographic cohorts as a “comparable” would not be appropriate.

Demographic multipliers for total population and school age children multipliers have been developed and published by the Urban Land Institute (ULI). The ULI multipliers, which are derived from information contained in the 1987 American Housing Survey and furnish data for the Northeast region of the United States, do not reflect current occupancy trends; are not disaggregated for New Jersey, Passaic County, or the Bloomingdale area; and do not distinguish between “entry-level” and

higher-priced housing products. Given the unique location, character, and pricing of the proposed new housing units, demographic information for recently occupied housing units in New Jersey may provide a more realistic basis for estimating the population, school age, and public school children likely to be generated by the new housing units in Bloomingdale Borough.

Attached Housing Demographics - A more recent survey of the demographics of residents of housing units in New Jersey is provided in a November 2006 study of newly occupied housing units entitled, Who Lives in New Jersey Housing, which was prepared for the New Jersey Department of Community Affairs, Office of Smart Growth by the Center for Urban Policy Research (CUPR), Edward J. Bloustein School of Planning & Public Policy at Rutgers, The State University. The CUPR study provides demographic multipliers for single-family detached homes, single-family attached homes, and multi-family (five or more units per building), which includes condominiums and apartments. Specific multipliers are also furnished for “affordable” (low and moderate income) housing. Demographic multipliers are provided for the State of New Jersey with adjustments for pricing (below median or above median) and for certain bedroom configurations. Information is also provided for three regions of the State (north, central, and south) with the Borough of Bloomingdale being located within the North Region of New Jersey. The standard (Statewide) demographic multipliers for the 288 “market” housing units proposed range from 1.644 to 2,107 persons per unit including 0.051 to 0.115 public school children per unit. These CUPR demographic multipliers are presented in Appendices 1 and 2.

Affordable Housing Demographics - In addition to the “market” priced housing units, the redevelopment proposal also contains 72 “affordable” housing units to be reserved and priced to be affordable for lower-income households in accordance with affordable housing regulations. To the extent that the 72 “affordable” housing units have specific occupancy, income, and pricing restrictions, the “CUPR” survey provides separate demographic multipliers for low and moderate income households in New Jersey. The demographic multipliers for the 72 one-, two- and three-bedroom, renter-occupied, “affordable” housing units (Appendix 3) anticipate 1.61 to 3.82 persons per unit including 0.14 to 1.27 public school children per “affordable” housing unit.

Added Population

Utilizing the CUPR demographic multipliers for the “market” housing units and the demographic multipliers specific to “affordable” housing units profiled in Appendix 3, the number residents and public school children generated by the housing units within the mixed-use redevelopment proposed in the Borough of Bloomingdale have been estimated

The application of the standard (Statewide) demographic multipliers to the 288 “market” housing units and the CUPR “affordable” demographic multipliers to the 72 “affordable” housing units would result in an estimate of 725 persons, including 70 public school children from the proposed mixed-use redevelopment:

**Estimated Population
Proposed Mixed-Use Redevelopment in Bloomingdale
Standard CUPR (Statewide) and Affordable Demographic Multipliers**

	No. Units	<u>Population Per Unit</u>		<u>Estimated Population</u>	
		Total Pop.	Public School	Total Pop.	Public School
<u>Market</u>					
Apt-1BR	173	1.644	0.051	284	9
Apt-2BR	115	2.107	0.115	242	13
Subtotal	288	1.826	0.076	526	22
<u>Affordable</u>					
Apt - 1BR	14	1.610	0.140	23	2
Apt - 2BR	43	2.760	0.620	119	27
Apt - 3BR	15	3.820	1.270	57	19
Subtotal	72	2.764	0.667	199	48
Total	360	2.014	0.194	725	70

Estimated Employment

The number of employees that could be expected to be generated by the expansion of the Tilton quarrying operations on the subject property is based upon the actual employment of 32 employees at the existing Bloomingdale Quarry and the potential to increase this employment base by an additional 10 employees when its operations are expanded on to the subject property.

Added Services

The development and addition of new residences, new businesses, or a combination thereof to a community will generate direct and indirect needs for new or added services from the community and other governmental jurisdictions. The services to be provided to a new development generally include education (public school), police and fire protection, public works, administration, etc. The type and extent of services furnished by a municipality often reflect community size and developmental densities. In examining the services which will be provided by the Borough and, hence affected by the proposed development, it is apparent that the overwhelming proportion of the municipal services furnished, the facilities utilized, and the personnel required, are involved in serving the needs of the community's resident population. Accordingly, and in recognition of the fact that the resident population is ultimately the predominant user and beneficiary of municipal and school services, the determination of the population anticipated to be generated by the proposed mixed-use redevelopment is an important element and determinant in the impact analysis.

IMPACT ANALYSIS

Fiscal Impact

The fiscal impact resulting from the proposed mixed-use redevelopment and the addition of 10 employees, 725 new residents, including 70 public school children, may now be examined in terms of the costs incurred by the municipality and the school district in providing a variety of services to the Borough's resident population. The determination of the fiscal impact of the proposed development involved the use of an econometric model, which is a composite of two techniques generally referred to as the "proportional valuation" method and the "per capita multiplier" method. The "proportional valuation" method is utilized first to assign a portion of total municipal expenditures to the non-residential (as opposed to residential) valuation in the Borough. Municipal expenditure levels proportionately allocated to non-residential and residential valuation are then expressed in terms of per employee and per capita expenditures for the Borough's existing development. School appropriations are expressed on a per pupil basis. Once these per employee, per capita and per pupil expense ratios are determined, the "per capita multiplier" method anticipates added costs from the proposed development by applying increased employment, population and student enrollment to the current expense ratios.

Assumptions, Conditions and Qualifications

The preparation of a cost/revenue analysis, which measures the overall and specific impacts resulting from the development and occupancy of the proposed development, necessarily requires that certain empirical assumptions be made:

- 1) All dollars are 2015 dollars--the fiscal impact shown reflects the forecasted impact as if the development were completed in 2015;
- 2) Other growth or changes (demographic/economic) occurring in Bloomingdale Borough during the development phases of the project may well have their own impact on fiscal matters, but are not included within the scope of this study in order to empirically assess the direct impact of the planned development;

- 3) The “per capita multiplier method” assumes that, over the long run, current average operating costs per capita furnish a reasonable estimate of future operating costs occasioned by growth, and that current levels of service, relative to current population, are reasonably accurate indicators of future service levels continued at the same relative scale, and;
- 4) The current distribution of expenditures among the various sectors of municipal service will remain constant in the short term and will serve as the primary indicator of the way in which additional expenditures will be subsequently allocated.

Utilizing the aforescribed methodology and assumptions, the ultimate impact of the completion and occupancy of the proposed mixed-use development can be determined through a cost/revenue analysis of the major sources of the services and taxing bodies affected by the new development. The primary sources of the services and taxes to be affected are: a) the municipality; b) the school district; and c) the County.

MUNICIPAL IMPACT

The fiscal effects anticipated to result from the development of the expanded quarry and the 360 proposed housing units in Bloomingdale Borough and the addition of 10 employees, 725 residents shall be analyzed in this section in terms of the municipal service costs that would be allocated by the municipality in providing a variety of services to its residents. An evaluation of the annual tax revenues expected to accompany the proposed development shall also be provided.

Municipal Costs

Insofar as the costs of the services now being provided by the community serve as the statistical foundation for the costs to be allocated to the new development, an analysis of existing service/cost relationships has been undertaken. A summary of Bloomingdale Borough 's current (2014) revenues and expenditures as presented in Table 9, provides a useful profile for the determination of the fiscal impact attributable to the proposed development.

Before the data and relationships indicated in Table 9 may be utilized, certain adjustments must be made to separate its residential and non-residential components. As may be seen in Table 9, commercial and industrial properties in Bloomingdale Borough, which include Class 4a Commercial and Class 4b Industrial properties, represent 4.15 percent of all properties and 8.64 percent of the Borough's total assessed valuation. Given these distributions, 6.39 percent of the total current municipal expenditures would be assigned, in terms of cost/benefit (or cost generation) to the 111 commercial/industrial properties in Bloomingdale Borough and which have an assessed valuation of \$64,013,400 . Of Bloomingdale's current tax-supported appropriations of \$7,801,077, approximately 6.39 percent, or \$498,489, would be assigned to the Borough 's commercial and industrial properties.

The Borough 's residential properties, which include Class 2 Residential, Class 3a Farm and Class 4c Apartment properties, represent 92.22 percent of the Borough 's total properties, 87.85 percent of the Borough 's total valuation, and would be assigned 90.04 percent of the Borough's total tax-supported costs. In this regard, \$7,024,090 of Bloomingdale's \$7,801,077 tax-supported local use appropriations would be attributed to the Borough 's residential properties.

TABLE 9

MUNICIPAL DATA - 2015
BLOOMINGDALE BOROUGH, PASSAIC COUNTY

A. Current Assessments:

<u>Category</u>	<u>Assessment</u>	<u>Percent</u>	<u>Parcels</u>
1. Vacant Land	\$ 25,910,100	3.50	86
2. Residential	\$627,648,300	84.69	2,454
3a Farm-Regular	\$ 884,800	0.12	4
3b Farm-Qualified	\$ 96,400	0.01	11
4a Commercial	\$ 58,434,600	7.88	107
4b Industrial	\$ 5,578,800	0.75	4
4c Apartments	\$ 22,560,300	3.04	7
<u>Summary</u>			
Residential (Class 2, 3a, 4c)	\$651,093,400	87.85	2,465
Commercial/Industrial	\$ 64,013,400	8.64	111
Other (Class 1 , 3b)	\$ 25,996,500	<u>3.51</u>	<u>97</u>
Total	\$741,103,300	100.0	2,673

B. Current Tax Structure:

<u>Rate Per \$100 (2015-16)</u>	<u>Percent</u>	<u>Rate</u>
Municipal Purpose	26.74	\$1.084
School District	52.96	\$2.147
County Taxes	<u>20.30</u>	<u>\$0.823</u>
Total	100.00	\$4.054

C. Local Use Appropriations:

	<u>Percent</u>	<u>Amount</u>
Municipal Purposes within CAPS	75.34	\$ 7,870,750
Total Operations Excluded from CAPS	11.54	\$ 1,205,020
Capital Improvements	0.29	\$ 30,000
Debt Service (Included for School Purposes)	10.41	\$ 1,087,165
Deferred Charges	0.61	\$ 64,000
Reserve for Uncollected Taxes	<u>1.82</u>	\$ <u>90,000</u>
Total General Appropriations	100.00	\$10,446,935

D. General Revenues - Local Use:

	<u>Percent</u>	<u>Amount</u>
Revenue from Property Taxes	74.67	\$ 7,801,077
Miscellaneous Revenues	20.73	\$ 2,165,158
Surplus Revenues	4.60	\$ 480,600
Receipts from Delinquent Taxes	<u>0.01</u>	\$ <u>100</u>
Total General Revenues	100.00	\$10,446,935

Note: Assessment Ratio is 92.64 percent

Non-Residential Costs - The 111 existing commercial and industrial properties in the Borough of Bloomingdale have a current (2015) estimated employment base of 880 jobs and were previously calculated to generate \$498,489 in allocated, tax-supported, local use costs, or \$566 per employee. Applying this non-residential cost factor of \$566 per employee to the 10 new jobs estimated to be generated by the expansion of quarrying operations yields an allocated a local use cost of \$5,660 (10 x \$566= \$5,660).

Residential Costs - Concentrated, higher-density residential developments, and particularly Class 4c income producing (apartment) properties, where many services (streets and road maintenance, snow removal, garbage collection, etc) are provided by the property owner, will typically have “marginal” added costs that are less than the “average” per capita costs. Information provided by Borough officials indicates that the added population can be accommodated without a need for additional police and/or fire department personnel and equipment and that administrative services would not be need to be increased as a result of the proposed development. Similarly, with regard to Public Works, the Borough would not provide road maintenance, snow removal or sanitation services to the proposed mixed-use redevelopment. The services that would be provided, including Health and Welfare, Recreation and Education, Insurance, Construction Code, Library and other services equate to \$356 per capita, of which \$266 per capita (74.67 percent) are funded by property tax revenues. The allocated, tax-supported residential costs of \$266 per capita , when applied to the 725 anticipated residents would yield a tax-supported residential service cost of \$192,850 and when combined with the estimated non-residential cost of \$5,660 yields a total allocated municipal service cost of \$198,510.

Cost Allocations - The actual experience and distribution of the municipality’s expenditures among its various budgetary components provides a basis for the allocation of the added costs estimated for the proposed new development. Bloomingdale Borough’s current municipal budget appropriations, which furnish the statistical foundation for cost and revenue allocations, are tabulated in Section C of Table 9. The estimated tax-supported costs of \$198,510, which amount to 2.54 percent of the Borough’s current tax-supported current appropriations of \$7,801,077, and would be sufficient to maintain the same level and quality of municipal services that are furnished to the Borough ’s existing residential and non-residential properties.

Municipal Revenues

The existing and added costs of municipal services are paid by the various sources of revenues received by the community. Bloomingdale Borough 's revenue sources may be grouped into three major categories as shown on Table 9. As was the case in estimating tax-supported added costs, the added tax revenues generated by the planned development may be calculated on the basis of the Borough 's actual experience in generating municipal revenues.

Local Use Tax Revenues - Local use tax revenues may be determined from the current proportion of the tax rate allocated to local municipal uses. Of Bloomingdale Borough 's tax rate of \$4.054 per \$100 of assessed valuation, \$1.084 per \$100 is appropriated for local municipal uses. The local use (municipal) tax rate may be utilized to determine the added local use revenues to be derived from the construction and occupancy of the proposed mixed-use redevelopment.

Estimated <u>Valuation</u>	X	Local Use	=	Added
\$100		<u>Tax Rate</u>		Local Use
<u>\$45,042,100</u>				<u>Tax Revenues</u>
\$100	X	\$1.084	=	\$488,260

Municipal Summary - The local use tax revenues that Bloomingdale Borough would have received had the proposed development been completed and occupied during 2015 are estimated to amount to \$488,260 and represent a 6.26 percent increase in the Borough 's total municipal tax revenues of \$7,801,077. The anticipated tax revenues resulting from the proposed mixed-use development fully offset the allocated tax-supported costs of \$198,510 and result in a municipal revenue surplus of \$289,750. The anticipated tax revenues and tax-supported costs are set forth below:

Local Use Tax-Supported Costs and Revenues
Proposed Mixed-Use Redevelopment

Added Tax Revenues	\$488,260
Allocated Tax-Supported Costs	<u>\$198,510</u>
Revenue Surplus (Deficit)	\$289,750

SCHOOL SYSTEM IMPACT

The number of public school students expected to be generated by the proposed mixed-use development furnishes the statistical basis for this element of the anticipated fiscal impact. As previously discussed, the 288 “market” housing units would be estimated to generate 22 public school children while 72 “affordable” housing units were estimated to generate 48 public school children, for a total of 70 public school children. Educational services for these students would be provided by the Bloomingdale Borough School District, which furnishes educational services for Bloomingdale students in grades K-8 and maintains a “sending” relationship with the Borough of Butler for students in grades 9-12. Based upon the types of housing units proposed, 52 children would be expected to be enrolled in grades K-8 while 18 children would be enrolled in 9-12 and sent to the Butler school district.

Bloomingdale Borough School District Costs

The fiscal impact resulting from the addition of the 70 new students to the Bloomingdale Borough School District has been statistically structured under the assumption that all new students were enrolled during 2015. The insertion of the new students into a current enrollment situation is empirically preferable to the extent that it permits a more objective appraisal of the direct impact of the enrollment specific to the new development and also permits an analysis predicated upon known fiscal data and current (2015) dollars. The costs anticipated for the added enrollment of 70 students in the school district have been estimated on the basis of the actual appropriations budgeted for the 2015-16 school year.

The Bloomingdale Board of Education has reported that the Bloomingdale schools have the capacity for 120 additional students and that the estimated enrollment (approximately 6 students per grade) could be accommodated with a nominal increase in costs. These marginal costs would include the costs for textbooks, supplies, purchased services, extracurricular and equipment costs and transportation services, which amount to approximately \$1,998 per student in the current budget, of which \$1,626 (81.39 percent), is funded by local property taxes, yielding a tax supported cost of \$84,550 ($52 \times \$1,626 = \$84,550$). The 18 students enrolled in grades 9-12 would be subject to tuition costs paid to the Butler Borough school district. During the 2015-16 school year, the Bloomingdale

School District reported total tuition costs of \$6,710,183 for 222 students sent to the Butler schools along with 20 students in private school placements and 37 students sent to other District’s special education programs. These tuition expenses amount to \$25,465 per student, of which \$20,726 (81.39 percent) would be funded by property taxes. Applied to the 18 estimated students in Grades 9-12, the tax-supported tuition costs of \$20,726 per student would yield a tax supported tuition cost of \$373,070 (18 x \$20,726 = \$373,070). Combined, the K-8 costs of \$84,550 and the 9-12 costs of \$373,070 amount to total tax supported school district costs of \$457,620.

School District Revenues - Although school district revenues are received from several sources, the revenues derived as a result of school district taxes remain the primary source of all school revenues. Within the school district budget, revenues received from school district taxes accounted for 81.39 percent of the total school district revenues, while the remaining sources of school revenues can be generally grouped into three categories--balance, governmental aid, and other.

School District Tax Revenues - The proposed mixed-use development is expected to represent \$45,042,100 of assessed valuation to the ratable base of the Bloomingdale Borough School District. The application of the Bloomingdale Borough School District tax rate of \$2.147 per \$100 of valuation results in \$967,050 in added school district tax revenues from the Bloomingdale Borough School District tax ($\$45,042,100 \div \$100 \times \$2.147 = \$967,050$).

School District Summary - The Bloomingdale Borough School District tax revenues anticipated to result from the completion and occupancy of the mixed-use development proposed in Bloomingdale Borough would amount to \$967,050 and fully offset the allocated, tax-supported school district costs of \$457,620, yielding a revenue surplus of \$509,430 for the Bloomingdale Borough School District:

Allocated Costs and Annual Revenues
Bloomingdale Borough School District

Annual Tax Revenues	\$967,050
Allocated Tax-Supported Costs	<u>\$457,620</u>
Surplus (Deficit)	\$509,430

COUNTY SERVICES IMPACT

A broad range of services are furnished by the County government, its agencies, offices, and departments. These services, which are provided and available to all County residents without respect to municipality of residence, include the services of County Courts; Sheriff's office; various health, safety, and welfare programs; maintenance of County roads; County education services; County parks; recreational facilities; etc. The nature of the services provided by the County are such that its services, facilities and operations are generally of countywide use and benefit, and the costs thereof are not allotted and cannot be segregated on a municipality-by-municipality basis. Therefore, it is difficult to specifically separate and determine the actual measure of benefit, and the costs attendant thereto, received by Bloomingdale Borough residents from Passaic County operations.

The absence of a direct cost/benefit relationship in the services supplied by the County does not preclude its analysis, but rather, focuses the correlations upon the actual manner in which County services are furnished and financed. Although County services are provided to the general public, these services are not financed by the population, but through the assessment of a County Tax upon property valuations. A calculation of the estimated County costs and estimated County revenues resulting from the proposed mixed-use redevelopment in Bloomingdale Borough may also be derived from this bifurcated relationship between costs and revenues.

County Costs

County services are provided primarily, and in some instances exclusively, for the benefit of County residents with only a limited amount of services rendered to non-residential properties and non-resident employees. Because the vast majority of Passaic County's services and associated costs are furnished to and for the benefit of County residents, only a nominal and indirect relationship exists relative to non-residential properties and the employees thereof. Of the total County appropriations, only those activities involved with general government, public safety, public works, and judiciary could reasonably be perceived as providing a service/benefit to non-residential properties and their employees. These types of County services, which are provided for the joint benefit of residents and non-residents, account for approximately 30 percent of the total County expenditures while the

remaining 70 percent of Passaic County's expenditures are furnished exclusively for the County's residential population.

Non-Residential Costs - Although the majority of the County's tax-supported costs are provided for the benefit of the County's residents, some portion of the total tax-supported appropriations are attributable to non-residential properties. During 2015, approximately \$36.9 million of the County's total tax-supported appropriations of \$335.5 million would be allocated to the County's commercial and industrial properties with 136,200 estimated employees, yielding a non-residential (commercial/industrial) cost factor of \$271 per commercial/industrial employee. Applying this non-residential cost factor of \$271 per employee to the 10 new employees generated by the quarrying operations within the mixed-use redevelopment yields an allocated a local use cost of \$2,710 ($10 \times \$271 = \$2,710$).

Residential Costs - During 2015, \$281.85 million of Passaic County's total tax-supported expenditures of \$335.5 million would be allocated to the County's residential properties. With an estimated year-end 2015 resident population of 511,550 persons, an average, tax-supported, per capita, County cost appropriation of \$551 is derived. Higher-density, income-producing properties which are professionally managed and do not require an expansion of County infrastructure will typically have a "marginal" added cost that is approximately 60 percent of the "average" per capita County cost, or \$331 per capita ($\$551 \times 0.60 = \331). Applied to the 725 estimated residents, the marginal per capita cost (\$331) would yield an allocated cost of \$239,980. The allocated County residential service cost of \$239,980, when combined with the estimated non-residential cost of \$2,710, yields a total County service cost of \$242,690. Given the magnitude of Passaic County operations, the absence of a direct cost/revenue basis for the provision of County services, and the fact that the added development would represent a nominal (0.14 percent) increase in the County's total population, it is unlikely that County costs would increase proportionately. To the contrary, it is probable that the added development could substantially be accommodated and serviced by existing County facilities, equipment, and personnel.

County Revenues

The costs of the services and facilities provided by the County are financed by a variety of revenue sources. One important revenue source that accounts for 73.4 percent of the total County revenues, and which is directly derived from the County’s constituent municipalities, is generated through the imposition of the County tax rate upon the real property valuations in each municipality within the County. The proposed mixed-use development, in representing \$45,042,100 of valuation to both the municipal and County tax rolls, would directly generate County tax revenues of \$370,700 at the current County tax rate of \$0.823 per \$100 of valuation. The proposed mixed-use development in Bloomingdale Borough would, therefore, be expected to generate County tax revenues that fully offset the allocated County costs:

County Services Impact
Proposed Mixed-Use Development

County Tax Revenues	\$370,700
Allocated Tax-Supported Costs	<u>\$242,690</u>
Surplus (Deficit)	\$128,010

FISCAL IMPACT OVERVIEW

In the preceding sections of this fiscal analysis, the nature and magnitude of the proposed mixed-use development in Bloomingdale Borough relative to the existing community have been defined and quantified, and the prospective impact thereof upon the various services furnished by the municipality, the school district and the County have been determined. The need for various public services, and the costs thereof, as a result of the proposed development were subsequently refined to illustrate the overall impact through cost/revenue analysis.

The results of these analyses, as set forth in Table 10, indicate that the “market” component of the proposed mixed-use redevelopment (expanded quarry operation and 288 “market” housing units) would, in the present fiscal structure, generate added tax revenues totaling \$1,657,300 , while the tax-supported costs allocated to the “market” components amount to \$453,670 and yield an annual revenue surplus of \$1,203,630. The “affordable” component of the proposed development (72 affordable housing units) would, in the present fiscal structure, generate added tax revenues totaling \$168,710 while the tax-supported costs allocated to the “affordable” housing units amount to \$445,150, to yield a revenue deficit of \$276,440. The revenue surplus generated by the “market” components, which amounts to \$1,203,630, is sufficient to fully offset the deficits of the “affordable” housing units (\$276,440) to result in a combined (“market” plus “affordable”) surplus of \$927,190. In this regard, it should be noted that the “affordable” housing units represent only 9.4 percent of the estimated value and tax revenues, but account for 27.4 percent of the total residents and 68.6 percent of the added enrollment and school district costs.

Impact Summary

The estimated fiscal effects of the “market” components units within the proposed redevelopment, which result in tax revenues that substantially exceed the allocated tax-supported costs for the local school district, result from differences in the estimated levels of costs and revenues allocated to the proposed development. An examination of the relationships that exist between enrollment, valuation, and fiscal operations relative to the Borough on the one hand, and the nature

TABLE 10

**Summary of Added Tax Revenues
and Tax-Supported Costs**

**Proposed Mixed-Use Redevelopment
in Bloomingdale Borough**

	<u>Municipal</u>	<u>School</u>	<u>County</u>	<u>Total</u>
<u>MARKET</u>				
Annual Tax Revenues	\$443,150	\$ 877,700	\$336,450	\$1,657,300
Allocated Costs	<u>\$145,580</u>	<u>\$ 131,270</u>	<u>\$176,820</u>	<u>\$ 453,670</u>
Surplus (Deficit)	\$297,570	\$ 764,430	\$159,630	\$1,203,630
<u>AFFORDABLE</u>				
Annual Tax Revenues	\$ 45,110	\$ 89,350	\$ 34,250	\$ 168,710
Allocated Costs	<u>\$ 52,930</u>	<u>\$ 326,350</u>	<u>\$ 65,870</u>	<u>445,150</u>
Surplus (Deficit)	(\$ 7,820)	(\$ 237,000)	(\$ 31,620)	(\$ 276,440)
<u>COMBINED</u>				
Annual Tax Revenues	\$488,260	\$ 967,050	\$370,700	\$1,826,010
Allocated Costs	<u>\$198,510</u>	<u>\$ 457,620</u>	<u>\$242,690</u>	<u>\$ 898,820</u>
Surplus (Deficit)	\$289,750	\$ 509,430	\$128,010	\$ 927,190

of the proposed development on the other, will disclose the underlying reason for the existence of a surplus revenues vis-a-vis tax-supported costs.

When a given budget is in balance, the measures of per pupil valuation express the amount of property tax base supportive of each service user (student) in the local municipality. These measures can be used as a general indicator of whether a proposed development will normally be expected to generate surplus revenues (or deficits). Generally speaking, if the per pupil valuations of a new development is greater than that which exists throughout the municipality, then a surplus situation would be anticipated by such development. As the importance of property tax revenues diminishes, the reliability of this indicator also declines.

In Bloomingdale Borough, where property taxes represent source of funds for 76.53 percent of the non-surplus revenues municipal budget and 90.04 percent of the local school district budget, per pupil valuations provide comparisons which would anticipate the forecasted results. During 2014, the Borough’s total valuation of \$741,103,300 amounts to \$840,253 per public school pupil. The “market” components of the mixed-use development, with an estimated assessed valuation of \$40,880,550 ($\$44,128,400 \times .9264 = \$40,880,550$) yields a per pupil valuation of \$1,858,207. The tax base derived from the “market” housing units within the proposed redevelopment is being added at a level that is 2.21 times the Borough’s existing per pupil valuation:

Ratable Base and Per Pupil Comparisons

	Bloomingdale <u>Borough</u>	Proposed <u>Market Components</u>
Assessed Valuation	\$741,103,300	\$40,880,550
Public School Children	882	22
Per Pupil Valuation	\$840,253	\$1,858,207

The proposed “market” components, as indicated above, generate higher levels of per capita ratables than the existing development in Bloomingdale Borough. The indicated overall revenue surplus of \$927,190 is achieved notwithstanding the inclusion of a substantial (72units) “affordable” housing component. The revenue deficits attributable to the “affordable” housing units are the result of the satisfaction of a municipal obligation, and should not be attributed to the proposed mixed-use

development. To the contrary, the proposed development not only funds the construction of the affordable housing units, but the market components generate annual revenues that fully offset the operating costs of the affordable housing units with no added expense to the Borough's residents and taxpayers. The operating deficits attributable to the affordable housing units would occur wherever these units, and this obligation, is satisfied within the Borough.

The foregoing analysis has demonstrated that, if the proposed development had been in existence during 2015, the total tax-supported costs expected to be generated by the proposed development would have been offset by the anticipated tax revenues. The actual and final determination of specific services, equipment, and manpower needs most appropriately rests with the various municipal and school authorities responsible for the provision of these services.

Additional Revenues - In addition to the annual and recurring revenues generated by the proposed mixed-use redevelopment, the redevelopment can also be expected to generate one-time, non-recurring revenues represented by the deeding of the residential site to the Borough and its subsequent sale to a residential builder for an anticipated sales price of \$10,656,000 (288 market units at \$37,000 per unit). Water and sewer connection fees would be expected to amount to approximately \$2,700 and \$7,200 per residential unit, respectively, yielding utility connection revenues of \$3,564,000. It is also anticipated, based upon the construction permit fees paid by other multi-family developments, that the residential development on the Meer Tract would be expected to pay construction permit and inspection fees amounting to approximately \$800,000. In total, these non-recurring payments could be expected to amount to \$15,020,000:

Proceeds of Sale of Residential Site	\$10,656,000
Water Connection Fees	\$ 972,000
Sewer Connection Fees	\$ 2,592,000
Building Permit Fees	\$ 800,000
Non-Recurring Payments	\$15,020,000

Alternative Use - As further detailed in the market study and valuation report prepared by the Otteau Group, in the absence of the expansion of the quarry, the costs to clear, grade, level and stabilize the residential site are likely to exceed the land value for the 360 unit residential development. Under these circumstances, the diminished utility of the property could

result in a reduction of the property's current assessed value of \$11,160,000 to an “open space” value of \$10,000 per acre, or \$ 1,801,000 for the 180.1 acre property, with an estimated assessed value, at 92.64 percent, of \$ 1,668,400. The reduction in the property assessment from \$11,160,000 to \$1,668,400 would reduce the annual property tax revenues from \$452,400 to \$67,600, a decrease of \$384,800. Another possibility resulting from the inability to utilize the Meer Tract for quarrying operations and the accompanying residential use could be the deeding of the property for public open space or conservancy use, which would exempt the property from taxation and yielding no property tax revenues.

Affordable Housing Cost - The 360 unit residential development on the Meer Tract includes 72 “affordable” housing units that are being provided pursuant to an Order from the Superior Court of New Jersey, Law Division, Passaic County. Without the expansion of the quarrying operations and the accompanying ability to prepare a portion of the property for residential use, the requirement to provide for 72 “affordable” housing units will still remain and the Borough will need to find an alternative location for this affordable housing. If a comparable site for inclusionary is not available, the Borough may need to consider the purchase a suitable property for a municipal sponsored affordable housing development to provide the 72 affordable required housing units. The cost of acquiring such a property are unknown at this time as are specific costs that would be involved with its development, but a per unit subsidy cost of \$100,000 per unit¹ could be anticipated and, if funded by municipal 30 year, 4.0 percent bonds, would yield an annual debt service cost of \$411,116.

In addition to the debt service cost, the added operating costs for the Borough and school district (see Table 10) would be estimated to amount to \$244,820, even presuming offsetting property tax revenues.

¹ The Council On Affordable Housing prepared estimates within N.J.A.C. 5:94-6.4 (c) 5 of the per unit subsidy cost to provide an affordable housing unit. These costs, which are calculated as the land and total development costs less the proceeds from the sale of the units or the capitalization of the rental income, were estimated to be \$180,267 in the Bergen, Hudson, Passaic, Sussex region.

ECONOMIC IMPACTS

In addition to the anticipated impact on the public sector operations (municipal, school and County), the proposed redevelopment of the Meer Tract may also be expected to impact on certain private sector operations. The construction and occupancy of the residential facilities in Lincoln Park can be expected to result in primary and secondary impacts during the construction phase as well as in the completed, or operational, phase. These economic impacts include temporary (construction) and permanent employment, expenditure impacts for goods and services, the generation of personal disposable income and the accompanying personal consumption expenditures. Data developed by the U.S. Department of Commerce, Bureau of Labor Statistics (BLS) regarding the relationships and effects resulting from non-residential and residential construction and operations has been incorporated in a methodology³ for assessing economic impacts for new growth by the Urban Land Institute (ULI) and Center for Urban Policy Research (CUPR). Utilizing the ULI/CUPR input/output model, the proposed redevelopment in Bloomingdale Borough is calculated to have the following impacts during both the construction phase and operational phase.

Construction Phase Impacts

Estimates of the construction stimulus to local economies may be calculated as a derivative of project value. The employment-generating effects of construction may be assessed in order to estimate the effects of private construction expenditures on jobs and materials. The studies by the Bureau of Labor Statistics and the refinement of the BLS data in the input/output models of the Urban Land Institute and the Center for Urban Policy Research yield anticipated construction impacts that are expressed in terms of the number of employee hours per \$1,000 value of construction; the percent of on-site employment hours by occupational group and skill level; the value of materials, equipment, and supplies per \$1,000 of construction cost; and the distribution of equipment and supplies per \$1,000 of cost.

³Development Impacts, Urban Land Institute and Center for Urban Policy Research, Economic Impact Analysis, Assessment Handbook.

The proposed redevelopment, generating 10 new jobs and 360 multi-family rental housing units, can be expected to directly result in 408 on- and off-site construction related jobs during the construction phase. The ULI impact model further anticipates the distribution of employment between on-site and off-site construction; employment in the manufacture of construction products; trade, transportation, and services; and other employment. The total construction phase employment (on-site and off-site) is expected to generate payrolls of \$18.7 million and a disposable personal income of \$16.5 million. The construction of the residential development plan can also be expected to result in the purchase of \$13.5 million of construction materials including \$3.4 million from within the region and \$10.1 million from outside the region.

Operational Impacts

The economic effects of the “steady state”, or completed and occupied redevelopment, are measured by a derivative of input/output analysis that interprets the effects of the new development on other service providers in the local market area. For the long run, there are direct, indirect and induced effects. In the operational phase, the direct effects consist of permanent jobs created and spending associated with both the operation of the completed development as well as spending by its residents. There are also significant indirect effects that emerge because employees and households positively impacted by growth have increased wealth to distribute throughout the economy. This will lead to more sales by businesses and more revenue due to the taxes levied on sales, as well as corporate profits. The secondary and tertiary “induced” effects, which are most significant to the macro state economy, are not calculated herein.

When completed, the proposed redevelopment is estimated to be the location of 10 employees and 360 households with an estimated disposable personal income of \$23.4 million. Economic ratios of retail expenditures as a proportion of total personal income indicate that during the operational (occupied) phase of the proposed development, the new residents will generate \$21.5 million in annual personal expenditures, including expenditures of \$3.7 million for shopping goods, \$5.0 million for convenience goods, and an additional \$12.8 million in consumption expenditures. The economic impacts expected to result from the completion of the proposed redevelopment in Bloomingdale during the construction and operating phases are summarized on Table 11.

TABLE 11

**ECONOMIC IMPACT SUMMARY
MEER TRACT REDEVELOPMENT**

I. <u>PROJECT</u>	<u>Project Value</u>
Residential - Market (288 DU)	\$41,624,100
Residential - Affordable (72 DU)	<u>\$ 4,492,150</u>
Estimated Value	\$46,116,250
II. <u>ECONOMIC IMPACT</u>	
A. <u>Construction Phase</u> (temporary)	
Contract Construction	\$32,281,400
<u>Material Purchases</u>	\$13,545,100
Within Region	\$ 3,389,500
Outside Region	\$10,168,600
<u>Employment</u>	<u>Labor Hours</u>
On-Site Construction	279.290
Off-Site Construction	45.610
Manufacturing	237.040
Trade, Trans & Services	173.520
Other	<u>79.010</u>
Total	814.470
<u>Earnings</u>	
Wages	\$18,723,200
Disposable Personal Income	\$16,476,400
B. <u>Operation Phase</u> (Permanent)	
Employees	10
Households	360
Disposable Personal Income	\$23,445,000
Personal Expenditures	\$21,569,400
Shopping Goods	\$ 3,688,400
Convenience Goods	\$ 5,004,100
Consumption Expenditures	\$12,876,900

INDEX TO APPENDICES

- APPENDIX 1 CUPR Statewide Demographic Multipliers -Total Population
- APPENDIX 2 CUPR Statewide Demographic Multipliers - Public School Children
- APPENDIX 3 Affordable Housing Demographic Multipliers

APPENDIX 1

Demographic Multipliers - Total Population

STATEWIDE NEW JERSEY TOTAL PERSONS AND PERSONS BY AGE (continued)

STRUCTURE TYPE/ BEDROOMS/ VALUE /TENURE	TOTAL PERSONS	AGE							
		0-4	5-17	18-34	35-44	45-54	55-64	65-74	75+
5+ Units (Own), 0-1 BR									
All Values	1.694	0.094	0.125	0.530	0.304	0.145	0.124	0.159	0.214
Below Median \$185,361	1.702	0.137	0.167	0.474	0.364	0.140	0.097	0.151	0.171
Above Median \$185,361	1.682	0.036	0.069	0.605	0.223	0.150	0.159	0.171	0.270
5+ Units (Own), 2 BR									
All Values	1.797	0.071	0.122	0.485	0.320	0.294	0.191	0.153	0.161
Below Median \$226,552	1.771	0.074	0.131	0.520	0.324	0.290	0.164	0.121	0.147
Above Median \$226,552	1.844	0.064	0.105	0.419	0.312	0.301	0.243	0.215	0.186
5+ Units (Own), 3 BR									
All Values	2.469	0.213	0.471	0.537	0.481	0.332	0.243	0.129	0.063
Below Median \$226,552	2.828	0.301	0.655	0.588	0.524	0.412	0.204	0.103	0.041
Above Median \$226,552	2.104	0.124	0.283	0.486	0.438	0.250	0.282	0.155	0.086
5+ Units (Rent), 0-1 BR									
All Values	1.507	0.069	0.070	0.569	0.190	0.098	0.077	0.149	0.284
Below Median \$125,716	1.370	0.053	0.083	0.285	0.143	0.100	0.093	0.262	0.351
Above Median \$125,716	1.644	0.085	0.057	0.855	0.237	0.097	0.061	0.035	0.216
5+ Units (Rent), 2 BR									
All Values	2.303	0.207	0.323	0.967	0.353	0.180	0.113	0.069	0.090
Below Median \$177,123	2.493	0.265	0.478	0.951	0.364	0.195	0.115	0.065	0.060
Above Median \$177,123	2.107	0.147	0.165	0.984	0.342	0.164	0.112	0.073	0.121
5+ Units (Rent), 3 BR									
All Values	3.545	0.431	0.973	1.137	0.577	0.199	0.109	0.075	0.044
Below Median \$173,004	3.666	0.392	1.242	1.064	0.587	0.246	0.114	0.022	0.000
Above Median \$173,004	3.422	0.470	0.702	1.212	0.568	0.151	0.104	0.128	0.088
2-4 Units, 0-1 BR									
All Values	2.043	0.179	0.288	0.747	0.278	0.221	0.112	0.087	0.133
Below Median \$123,574	1.868	0.151	0.259	0.650	0.282	0.141	0.111	0.117	0.158
Above Median \$123,574	2.225	0.207	0.318	0.847	0.274	0.304	0.113	0.057	0.106
2-4 Units, 2 BR									
All Values	2.651	0.250	0.453	0.940	0.477	0.217	0.157	0.094	0.063
Below Median \$149,607	2.857	0.341	0.603	0.939	0.497	0.200	0.144	0.082	0.052
Above Median \$149,607	2.440	0.158	0.300	0.940	0.456	0.235	0.169	0.106	0.075
2-4 Units, 3 BR									
All Values	3.529	0.293	0.805	1.062	0.654	0.363	0.209	0.107	0.036
Below Median \$226,552	3.665	0.355	1.070	1.085	0.718	0.269	0.099	0.047	0.021
Above Median \$226,552	3.388	0.228	0.530	1.038	0.588	0.460	0.322	0.170	0.052
2-4 Units, 4-5 BR									
All Values	3.995	0.384	0.749	1.141	0.623	0.527	0.216	0.194	0.162
Below Median \$370,722	4.231	0.474	0.965	1.212	0.744	0.557	0.073	0.129	0.078
Above Median \$370,722	3.699	0.270	0.477	1.052	0.471	0.490	0.396	0.276	0.268

APPENDIX 2

Demographic Multipliers - Public School Children

STATEWIDE NEW JERSEY PUBLIC SCHOOL CHILDREN (PSC) (continued)				
STRUCTURE TYPE/ BEDROOMS/ VALUE /TENURE	TOTAL PSC	PUBLIC SCHOOL GRADE		
		Elementary (K-6)	Junior High School (7-9)	High School (10-12)
5+ Units (Own), 0-1 BR				
All Values	0.117	0.100	0.009	0.008
Below Median \$129,835	0.167	0.137	0.015	0.015
Above Median \$129,835	0.051	0.051	0.000	0.000
5+ Units (Own), 2 BR				
All Values	0.098	0.067	0.013	0.018
Below Median \$226,552	0.101	0.065	0.013	0.024
Above Median \$226,552	0.092	0.072	0.013	0.007
5+ Units (Own), 3 BR				
All Values	0.442	0.321	0.068	0.054
Below Median \$226,552	0.598	0.406	0.134	0.058
Above Median \$226,552	0.283	0.234	0.000	0.049
5+ Units (Rent), 0-1 BR				
All Values	0.060	0.040	0.012	0.008
Below Median \$125,716	0.069	0.043	0.015	0.011
Above Median \$125,716	0.051	0.037	0.009	0.006
5+ Units (Rent), 2 BR				
All Values	0.275	0.183	0.051	0.041
Below Median \$177,123	0.432	0.286	0.081	0.065
Above Median \$177,123	0.115	0.078	0.019	0.017
5+ Units (Rent), 3 BR				
All Values	0.832	0.493	0.229	0.109
Below Median \$173,004	1.103	0.761	0.251	0.091
Above Median \$173,004	0.560	0.225	0.208	0.127
2-4 Units, 0-1 BR				
All Values	0.250	0.139	0.052	0.059
Below Median \$123,574	0.237	0.126	0.044	0.067
Above Median \$123,574	0.264	0.153	0.060	0.051
2-4 Units, 2 BR				
All Values	0.382	0.252	0.074	0.057
Below Median \$149,607	0.514	0.360	0.084	0.071
Above Median \$149,607	0.248	0.141	0.064	0.042
2-4 Units, 3 BR				
All Values	0.684	0.386	0.171	0.128
Below Median \$226,552	0.946	0.523	0.244	0.180
Above Median \$226,552	0.412	0.244	0.094	0.074
2-4 Units, 4-5 BR				
All Values	0.556	0.247	0.143	0.167
Below Median \$370,722	0.742	0.321	0.256	0.165
Above Median \$370,722	0.322	0.154	0.000	0.168

APPENDIX 3

AFFORDABLE HOUSING DEMOGRAPHIC MULTIPLIERS

	<i>Total Persons</i>	<i>School-Age Children</i>	<i>Public School Children</i>
All Housing Types and Bedrooms	2.35	0.50	0.45
Single-Family, Detached			
2 BR	1.95	0.24	0.21
3 BR	2.49	0.51	0.46
4 BR	3.07	0.83	0.73
Single-Family, Attached			
2 BR	2.09	0.35	0.32
3 BR	3.05	0.86	0.78
5+ Units, Own			
1 BR	1.37	0.07	0.06
2 BR	1.76	0.21	0.18
3 BR	2.51	0.60	0.54
5+ Units, Rent			
1 BR	1.61	0.16	0.14
2 BR	2.76	0.68	0.62
3 BR	3.82	1.37	1.27

Note: The New Jersey Council on Affordable Housing (COAH) Uniform Housing Affordability Controls (UHAC) indicate the following occupancy standards: "A studio shall be affordable to a one-person household; a one-bedroom unit shall be affordable to a one and one-half person household; a two-bedroom unit shall be affordable to a three-person household; a three-bedroom unit shall be affordable to a four and one-half person household; and a four-bedroom unit shall be affordable to a six-person household." UHAC further indicates that "to the extent feasible...the administrative agent shall strive to: Provide an occupant for each unit bedroom; provide children of different sex with separate bedrooms; and prevent more than two persons from occupying a single bedroom." While these standards bear on the relationship between housing-unit size (bedrooms) and household size, we do not have empirical evidence on the number of persons found in different-size COAH units. For instance, a "smaller" household (e.g., a 3-person household in a 3-bedroom unit) may be able to afford such a home with a larger down payment.

Source: U.S. Census of Population and Housing, Public Use Microdata Sample, 2000.