



State of New Jersey

CASINO CONTROL COMMISSION  
PRINCETON PIKE OFFICE PARK, BUILDING NO. 5  
CN-208  
TRENTON, NEW JERSEY 08625  
609-292-7730

ATLANTIC CITY OFFICES  
TENNESSEE AVENUE AND BOARDWALK  
LICENSE DIV. 609-441-3200

1300 ATLANTIC AVENUE  
INSPECTION 609-441-3201  
AFFIRMATIVE ACTION  
AND PLANNING DIV.  
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ATLANTIC CITY, NEW JERSEY

INLET COMMUNITY REDEVELOPMENT

A BALANCED RESIDENTIAL COMMUNITY

EXECUTIVE SUMMARY

In July, 1981, the Atlantic City Congress of Community Organizations initiated action through the Public Advocate of the State of New Jersey to take appropriate steps to see that the urban redevelopment promise of the Casino Control Act be carried out by, in part, "...scientifically evaluating the effects of the casino industry on the Atlantic City housing market...".

In considering the Advocate's petition, the Casino Control Commission resolved to "...Contract with the appropriate professionals to conduct a study of the housing issues facing Atlantic City and its region and to analyze the overall housing need and demand stimulated by the Casino industry". After reviewing the qualifications and proposals of 18 consulting firms, the Commission selected the American City Corporation (ACC) to prepare an action strategy that would be both

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development oriented and program oriented, defining housing need by type, location, income requirements and financial prospects. The program was to be designed to permit subsequent implementation by responsible institutions.

#### METHODOLOGY AND RESEARCH

In carrying out its assignment, ACC analyzed all existing studies on the subject, interviewed and consulted with an extensive array of public officials, professional specialists and community leaders, and conducted primary research in the areas of site evaluation and selection, market analysis, land use and development analysis, and financial analysis.

The technical site evaluation analyzed land conditions, ownership patterns, zoning, topographic conditions, housing need, residential development feasibility and acceptability, and marketability. Based upon the results of this analysis, the Inlet Community was selected as the best area in Atlantic City for comprehensive residential development and redevelopment.

The extent and elements of market support for housing in the Inlet area were analyzed using techniques currently accepted by the housing development industry. (See Chapter 3). The market area was defined as Atlantic County. Demographic and household trends and characteristics were identified, measured, and analyzed. These trends and characteristics included population and employment trends and projections, rates of household formation and size, household incomes, existing housing inventory, and county-wide housing development proposals. (see Market Support for the Residential Development Program, June 1983).

The proportion of the total projected demand for housing in Atlantic County, by market segment, which might be attracted to the Inlet community was expressed as a capture rate. Different capture rates were applied to different market-rate segments, depending upon the particular strengths of each market.

Based upon this analysis, it was determined that residential redevelopment in Atlantic City's Inlet Community could draw upon support for up to 4,120 units. These units were distributed according to price levels, based upon the relative strengths of each market segment, as follows:

Figure 3.15

INLET COMMUNITY TOTAL DEMAND

1985-1990

<u>Market Segment</u>	<u>Renters</u>	<u>Owners</u>	<u>Total</u>
Below-Market	326	155	481
Market-Rate			
Low Price	265	546	811
Moderate Price	402	1,030	1,432
High Price	84	1,312	1,396
	<u>751</u>	<u>2,888</u>	<u>3,639</u>
TOTAL	1,077	3,043	4,120

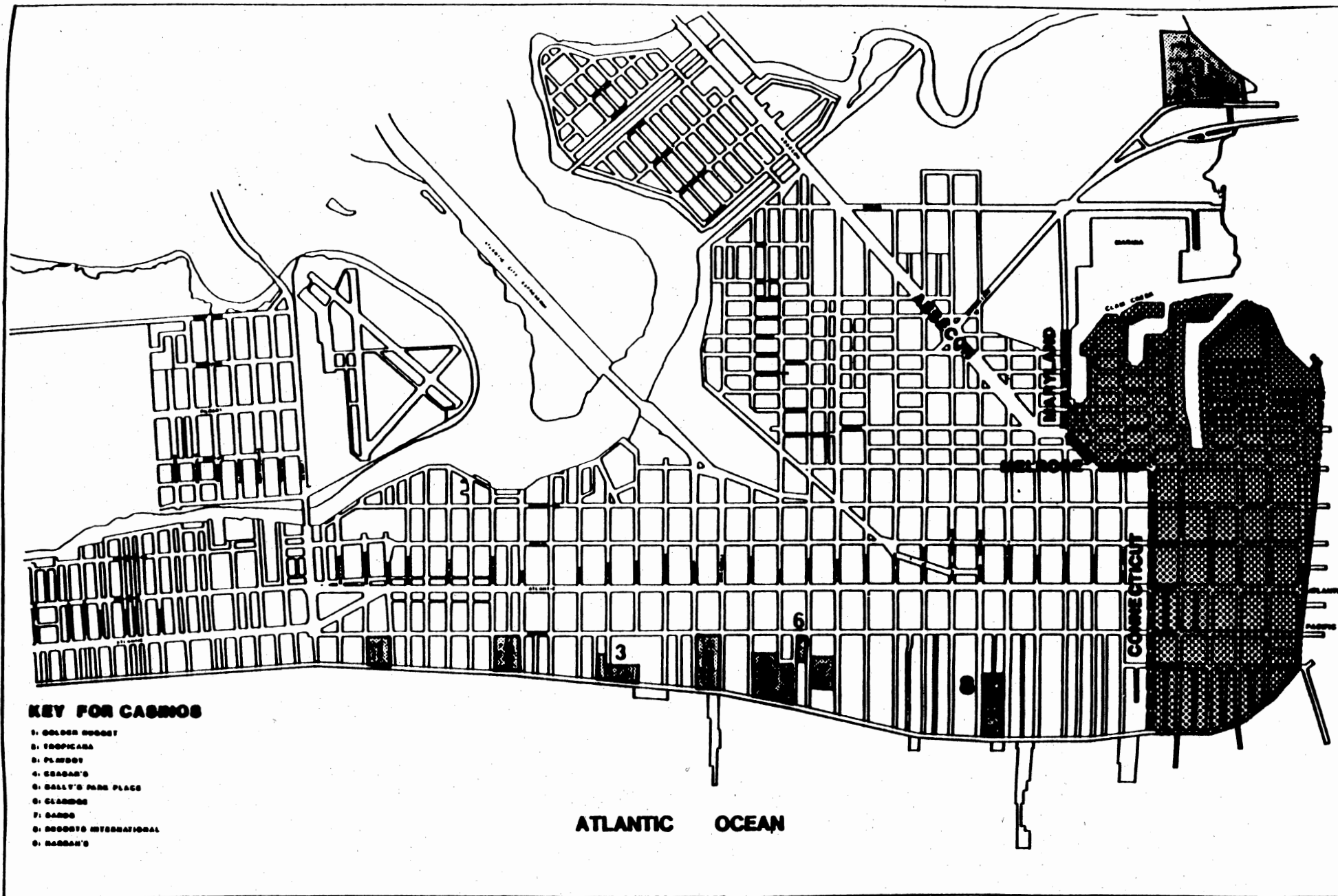
## THE DEVELOPMENT SETTING

The 309-acre Inlet Community is located at the east end of Absecon Island, surrounded on three sides by water, making it the area in Atlantic City with the most waterfront real estate. On the North, the community is bounded by Clam Creek and a series of finger-like coves--Delta Basin, Snug Harbor and Gardner's Basin--and on the south by the Atlantic Ocean. On the east, it is bounded by Absecon Inlet, where the bay meets the Ocean and the source of the area's name. Maryland Avenue, Absecon Boulevard, Melrose Avenue and Connecticut Avenue comprise the community's western boundary (Figure 4.1).

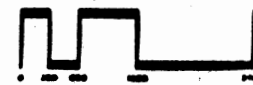
Four neighborhoods have been identified in the Inlet Community redevelopment plan (Figure 4.2):

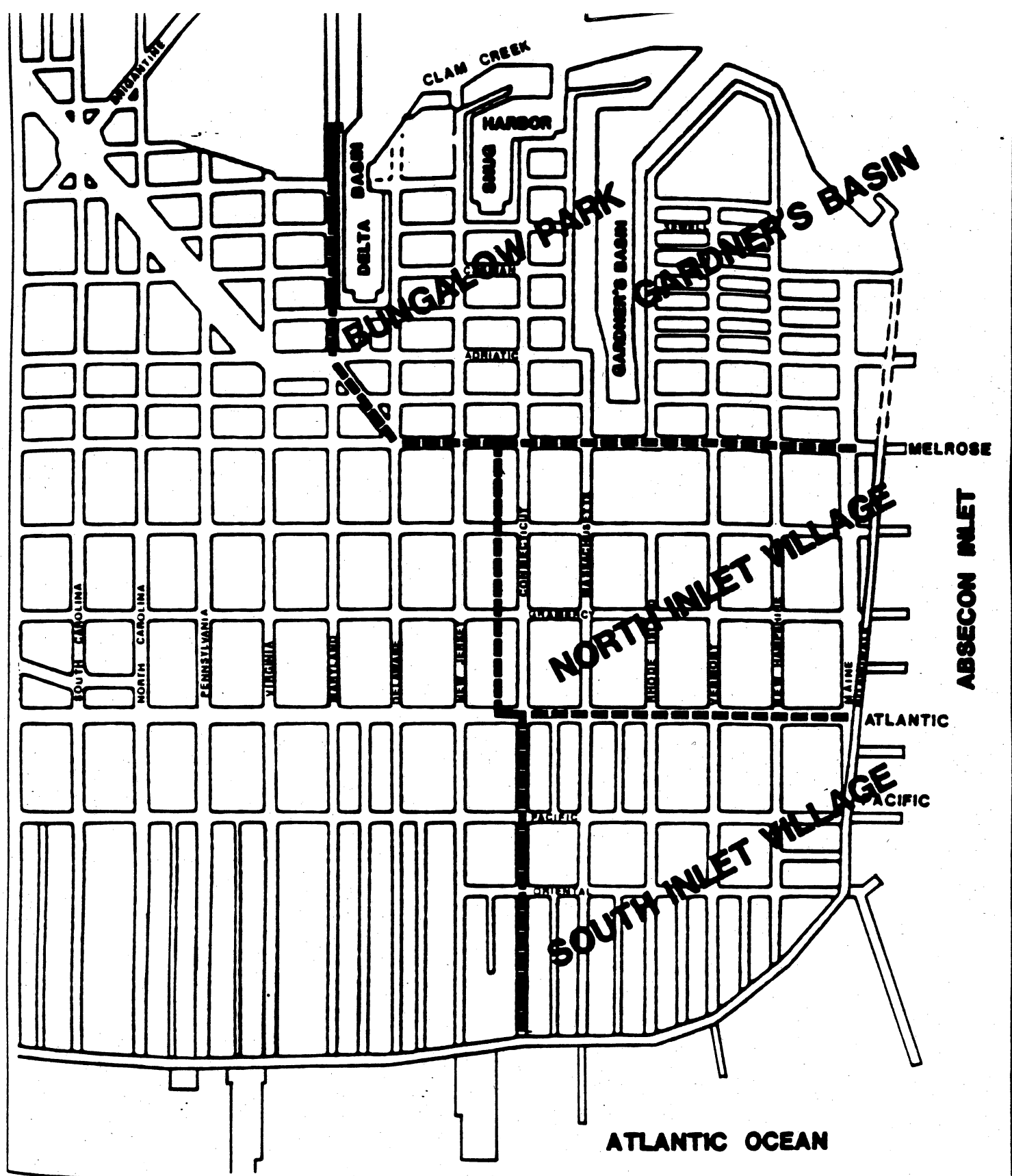
- Bungalow Park is located in the northwestern part of the community. Delta Basin, Clam Creek, Gardner's Basin, Melrose Avenue, Absecon Boulevard and North Maryland Avenue are its boundaries.
- Gardner's Basin is situated in the northeast part of the community and is bounded by Clam Creek, Absecon Inlet, Melrose Avenue and Gardner's Basin.
- North Inlet Village is at the heart of the Inlet Community. Its boundaries are Melrose Avenue, Absecon Inlet, Atlantic Avenue, and North Connecticut Avenue.
- South Inlet Village has Atlantic Avenue, Absecon Inlet, Atlantic Ocean, and South Connecticut Avenue as its boundaries.

The Inlet Community, which represents 12 percent of the buildable land in the City, provides the best opportunity to assemble the components of a balanced community and to



**ATLANTIC CITY, NEW JERSEY**  
**FIGURE 4.1**  
**THE INLET COMMUNITY LOCATION**





# ATLANTIC CITY, NEW JERSEY

FIGURE 4.2  
INLET NEIGHBORHOODS



demonstrate the economic feasibility of reinvestment in Atlantic City.

Land Use. The predominant land use in the Inlet is residential; at 157 acres, it accounts for 51 percent of the land in the Community. Although multi-family units are scattered throughout the neighborhoods, single-family attached and detached units are more prevalent in the Bungalow Park and Gardner's Basin neighborhoods. Multi-family dwellings tend to be clustered in blocks near or fronting the Inlet and Ocean. Clusters of multi-family units also exist along Atlantic Avenue. Generally, there are more multi-family dwellings in North and South Inlet Villages than in Bungalow Park and Gardner's Basin.

The largest concentration of commercial use (about 4.5 acres) is found along Atlantic Avenue between Connecticut and Rhode Island Avenues, connecting the Inlet Community with the Central Business District. Most of the retail uses are small and neighborhood-oriented, such as gas stations, dry cleaners, liquor stores, groceries and food carry-outs. Also scattered throughout the Inlet are warehouses and storage yards. Maritime uses such as boating slips, rentals, sales and repairs as well as fishing and clamming docks with unloading facilities rim the shoreline of Gardner's Basin, Clam Creek, and Snug Harbor and at points in Delta Basin and the Absecon Inlet.

Existing Housing Stock. A compilation of block-by-block data from the 1980 Census indicated a total of 2,581 year-round housing units existed in the Inlet Community, of which 2,091 were occupied. The 81 percent occupancy rate for housing units in the

Inlet was slightly higher than the 78 percent rate reported for the City as a whole. Of the 2,091 occupied units in the Inlet, 32.8 percent were owner-occupied, and 67.2 percent were renter-occupied. These percentages compare with city-wide rates of 30.6 percent owner-occupied and 69.4 percent renter-occupied.

The only significantly sized, easily identifiable addition to the Inlet's housing inventory since 1980 has been the construction and occupancy of Jeffries Tower, a 300 unit senior citizen housing project. However, there has been an incremental reduction in the number of housing units in the Inlet since 1980 as the result of arson and demolitions. An updated estimate of the housing stock in the Inlet was prepared for this report, and can be found in Appendix 4.2 of the full report.

The American City Corporation estimates that in 1983 there are a total of 2,484 residential units in the Inlet Community, of which 2,174 (87.5 percent) are occupied. Assuming the same percentage distribution between owners and renters as reported in the 1980 Census, there are presently 629 owner-occupied and 1,545 renter-occupied residential units in the Inlet Community.

Building Conditions. Based on a photo survey of building exteriors, almost two-thirds of the 1,776 structures in the Inlet Community are in good or excellent condition (Figure 4.9). Almost two-thirds of the good and excellent buildings are found in Bungalow Park and Gardner's Basin, and a similar proportion of the fair and poor buildings are found in the North and South Inlet Villages.

Zoning. The Inlet Community contains seven of the 18 basic zoning districts which were adopted in Atlantic City's 1979 Zoning Ordinance. Over 25 percent of the area is zoned for casinos (RS-C), which occurs in two areas--one in Gardner's Basin around Maritime Park and the Starn's property and the other in the South Inlet Village fronting the Inlet and the Ocean. Over one-third of the community is zoned for townhouses. The remainder of the Inlet is mostly a variety of multi-family zones and one mixed commercial-residential zone.

Property Prices. The price of real property in the Inlet Community increased significantly after the legalization of casino gambling for Atlantic City in 1976. Since 1981, land prices have moderated slightly. This trend is apparent in Figure 4.13 of the full report, which displays the change in the average price per square foot of property in selected neighborhoods around the city.

Topography. The topography in the study area is generally flat. The land rises gradually from the Boardwalk to Pacific Avenue and falls just as gradually to Gardner's Basin. The lowest elevation of approximately 5.0 feet above Mean Sea Level (MSL) is at Melrose and Rhode Island Avenues. The difference between the lowest and highest elevation is less than 5.0 feet.

Infrastructure and Utilities. The street and storm sewerage systems are provided and maintained by the City government. Sanitary sewer, water, electric, gas and telephone services are provided by independent utility companies. Generally, the infrastructure and utility systems in the Inlet Community, and particularly the Gardner's Basin area, are the oldest in the

City. Certain systems including gas, water, sanitary sewer and storm sewerage are in need of capital investments, some of which are already planned and will be made regardless of the extent of private redevelopment in the area. On the whole, the condition of the infrastructure in the Inlet Community is similar to that encountered throughout the City, according to local utility spokespersons. A brief description of the existing condition of each system is presented on page 89 of the full report.

THE DEVELOPMENT CONCEPT:

A BALANCED RESIDENTIAL COMMUNITY

After a nine-month process of community consultation and review, residents, governmental officials and local business people generally agree that the Inlet should be redeveloped as a "balanced residential community" to start housing redevelopment and reinvestment in Atlantic City. The balanced residential community concept presented here describes a comprehensive development program which is compelling enough to convene the essential parties--both public and private, and realistic enough to begin at once and be followed through to completion.

The development concept includes a wide range of housing opportunities in a residential environment which, when completed, will be second to none in the region. If followed through to completion, the opportunities for action developed in this program could produce visible housing results in a reasonably short-term period.

- 3 -

Certain plan objectives were developed as guidelines for achieving a balanced residential community in the Inlet. These objectives are viewed as a vehicle for focusing and unifying discussion and ultimate development decisions. These objectives include:

#### General

- Create a balanced residential community that is functional and safe, allows for privacy and social interaction and has a positive community/neighborhood identity and residential character.
- Create economic value based on existing assets for Inlet Community residents, developers, business people and the City of Atlantic City.
- Conserve and enhance the Inlet's natural features and landscape, particularly its basins, beaches and shorelines.
- Encourage conservation and efficient use of energy without sacrificing comfort through appropriate land use planning and building design and construction techniques.
- Support adjacent improvements and projects that enhance entry and community image.
- Implement adequate prevention and protection techniques to control flooding in the Inlet.
- Preserve sound residential and historically significant structures wherever possible and economically feasible.

#### Circulation

- Limit through vehicular traffic within a residential neighborhood to decrease disruptive traffic effects.
- Create pedestrian walkways and bikeways that link residential areas with community facilities and amenities, thereby reducing the need for the automobile as the primary means of travel for convenience shopping, recreation and work trips.
- Improve public access to the Inlet's waterfronts.
- Keep streets and parking areas in scale with residential dimensions and features.

- Provide off-street parking wherever possible and consistent with residential and visitor needs.
- Accommodate elderly and handicapped persons.

Residential

- Create neighborhoods that offer a full range of housing choices.
- Design a variety of housing types to maximize market appeal and developer flexibility.
- Scale neighborhoods to the size and density to support commercial services and community facilities.
- Foster a strong sense of identity within neighborhoods as well as throughout the community with signs, landscape features and organizational activities.

Community

- Locate new convenience commercial facilities to reinforce existing facilities in areas of high population concentrations, near community services, and with good accessibility.
- Locate new community facilities for maximum day, night, weekend and year-round use and reinforcement of existing facilities and community/neighborhood identity.
- Locate visitor and community-wide commercial uses on major streets easily accessible to residents and non-residents.
- Preserve and assist the maritime industries in the area (i.e., boat storage and maintenance, and commercial clamming) consistent with physical and economic realities.

A Balanced Residential Community

Balance is achieved through choices in housing types, housing tenure (ownership/rental) and housing prices. These choices will foster the free play of natural, social and economic forces to create an exciting, heterogeneous community. A balanced offering of housing choices allows the community to appeal to a broad spectrum of market segments, allowing families and

individuals of a variety of ages, races and incomes to interact and share in the advantages of living in the Inlet community.

Housing Types. Balanced residential development calls for a variety of architectural styles and densities of housing types. The juxtaposition of differing styles and densities creates a more stimulating environment while offering a variety of living spaces, vistas and settings to potential residents.

The Inlet Community Development Program calls for the following mix of housing types:

- Existing occupied units to be preserved:

A total of 2,350 residential units would be occupied after relocations and when Lighthouse Plaza, which is under construction, is complete. These units range from single-family detached units in Bungalow Park to high-rise units built especially for senior citizens in the North and South Inlet Villages. It is anticipated that most of the occupants would remain to enjoy the benefits of a redeveloped community.

- Existing vacant units to be rehabilitated:

There are 255 vacant units in single and multi-family structures suitable for renovation. These units offer opportunities for owner occupants and investors to imaginatively renovate and restore older buildings, which often provide a greater amount of living space at a lower cost than new construction.

- New single-family detached units:

A maximum of 60 new single-family detached units could be located in the Inlet Community on scattered vacant lots where the remainder of the block is intended for renovation. Due to their complete structural independence from other units, single-family detached homes occupy the most land per unit (eight units per acre). They can be built on-site or manufactured in a nearby factory and transported to the site.

- New Townhouse/Rowhouse units:

Three hundred and forty (340) new townhouse units could be developed in the Inlet Community. Numerous sites exist

where rows of 2 to 10 units could be built on small sites among renovated homes or on larger parcels where a comprehensive cluster could be built. The utilization of common walls and a narrow and deep-unit shape permit development densities of 14 to 16 dwelling units per acre and reduce construction costs per unit.

- New Multi-Plex units (quadplex, eightplex or garden apartments in walk-up structures):

The development program calls for the construction of 900 new multi-plex units in the Inlet Community. The majority of these units would be in two to three story garden apartment structures which are generally developed in a series of buildings consisting of 8 to 12 units on a larger site where parking, amenities and landscaping are provided as part of the complex. The remaining units in this category would be built in multi-family buildings ranging in size from 4 to 24 units. All of the multi-plex apartment units should be developed at a density of approximately 32 dwelling units per acre.

- New Units in Mid and High-Rise buildings:

A total of 1,195 residential units could be contained in newly constructed mid and high-rise structures in the Inlet Community. (This does not include 314 new units in Lighthouse Plaza.) Building heights could range from 4 to 12 stories. A maximum density of 60 dwelling units per acre is recommended.

Housing Tenure. Another element of choice which must be available in a balanced residential community is the option for the occupant to own or rent the dwelling unit. In order to accommodate the preference for ownership units expressed by the market, the Inlet Community Development Program recommends that 2,000 (72.7 percent) of the 2,750 residential units to be constructed or renovated (those units currently vacant) be marketed as ownership units. The remaining 750 rental units should be developed and maintained (without conversion to condominium status) as rental units to accommodate those who favor rental choices. A high proportion of new ownership units would help balance out the total community, since only 28.9

percent of the existing occupied housing units in the Inlet Community are owner-occupied. Upon full development of this program, the Inlet Community would have 50.2 percent ownership units, and 49.8 percent rental units.

Housing Price. Perhaps the most important element of a balanced residential community is the wide range of prices at which housing is made available. Residential developments are typically designed to meet the income levels of one segment of the market population. While this can be achieved and may be desirable on a typical undeveloped suburban tract, it cannot be achieved in an urban context such as the Inlet Community where an indigenous population of mixed economic means already resides and where public financial and policy support will be required to achieve any redevelopment objective. In the Inlet Community, economic mix and choice in housing prices can be achieved through the development of a variety of projects, at different prices, in carefully planned neighborhoods.

To realize the goal of providing choices in housing prices, the 2,350 presently occupied residential units (including Lighthouse Plaza) in the Inlet Community should first and foremost be preserved for their current occupants at affordable prices with the appropriate conservation/renovation techniques and public support. Current needs range from ongoing maintenance to comprehensive renovations. These units should also remain affordable when they are sold.

The price mix of the 2,750 new units to be developed as part of this program can be defined more specifically. Based on the

results of the market research, which indicate the relative level of demand at various price levels, it is recommended that:

- 450 new or currently vacant units could be developed at below-market price levels (\$399 or less rent per month, \$37,999 or less sales price). This number of units should be sufficient to house all those households who would need to be relocated from their present home in the Inlet Community, as well as other members of the Inlet Community who might wish to move to a new unit of their own choice. These units would be affordable to households earning less than \$17,500 per year.
- 715 new or currently vacant units should be developed in the low price levels (\$400-\$599 rent per month, \$38,000-\$54,999 sales price). These units would be attractive to younger people just entering the casino-hotel industry and other semi-skilled employees wanting to live close to work. Households earning between \$17,500 and \$25,000 per year would be able to afford to live in these units.
- 1,040 new or currently vacant units should be developed at moderate prices (\$600-\$799 rent per month, \$55,000-\$109,999 sales price). These units would be affordable to and desired by skilled and professional casino-hotel employees who wish to live close to work as well as other households earning between \$25,000 and \$50,000 per year who want to live in an urban environment with the diverse amenities and the vast waterfront available in the Inlet.
- 545 new units should be developed at higher-price ranges (all for sale at more than \$110,000 per unit). These units would be geared to local professionals and executives, as well as retirees, second home buyers, and investors from beyond the local market area. Household incomes of greater than \$50,000 per year would be required to afford these units with extraordinary access to waterfront views, the Boardwalk, the beach and other special features available in the Inlet.

Through these choices in type, tenure (ownership/rental), and price, a balance is more likely to be achieved. This community would include:

- new and current residents;
- single people of all ages and household configurations;
- young married couples;

- young families with children;
- older families without children;
- elderly with special needs; and
- retirees, second home buyers, visitors and vacationers.

There would be room for movement in and out of the neighborhoods and up and down in price levels. Ties with friends, service providers, community and school would not need to be broken each time a move is made.

Figure 5.1 shows the recommended balance of choices by housing type, tenure (ownership/rental), and price.

Figure 5.1

	INLET COMMUNITY HOUSING PROGRAM (in dwelling units)				Total
	Market Segment				
	Below Market	Low Price	Moderate Price	High Price	
Monthly Rent	\$399 or less	\$400-599	\$600- 1,199	\$1,200 or more	
Vacant Renovations	15	20	30	-	65
Single-family					
Detached	-	-	-	-	-
Townhouse/Rowhouse	45	-	-	-	45
Multi-plex	185	170	65	-	420
Mid/High-rise	<u>20</u>	<u>100</u>	<u>100</u>	-	<u>220</u>
Subtotal Rentals	<u>265</u>	<u>290</u>	<u>195</u>	<u>-</u>	<u>750</u>
Sales Price	\$37,999 or less	\$38,000- 54,999	\$55,000- 109,999	\$110,000 or more	
Vacant Renovations	85	60	45		190
Single-family					
Detached	35	10	15		60
Townhouse/Rowhouse	65	10	155	65	295
Multi-plex		175	175	130	480
Mid-High-rise		<u>170</u>	<u>455</u>	<u>350</u>	<u>975</u>
Subtotal Ownership	<u>185</u>	<u>425</u>	<u>845</u>	<u>545</u>	<u>2,000</u>
TOTAL	<u>450</u>	<u>715</u>	<u>1,040</u>	<u>545</u>	<u>2,750</u>

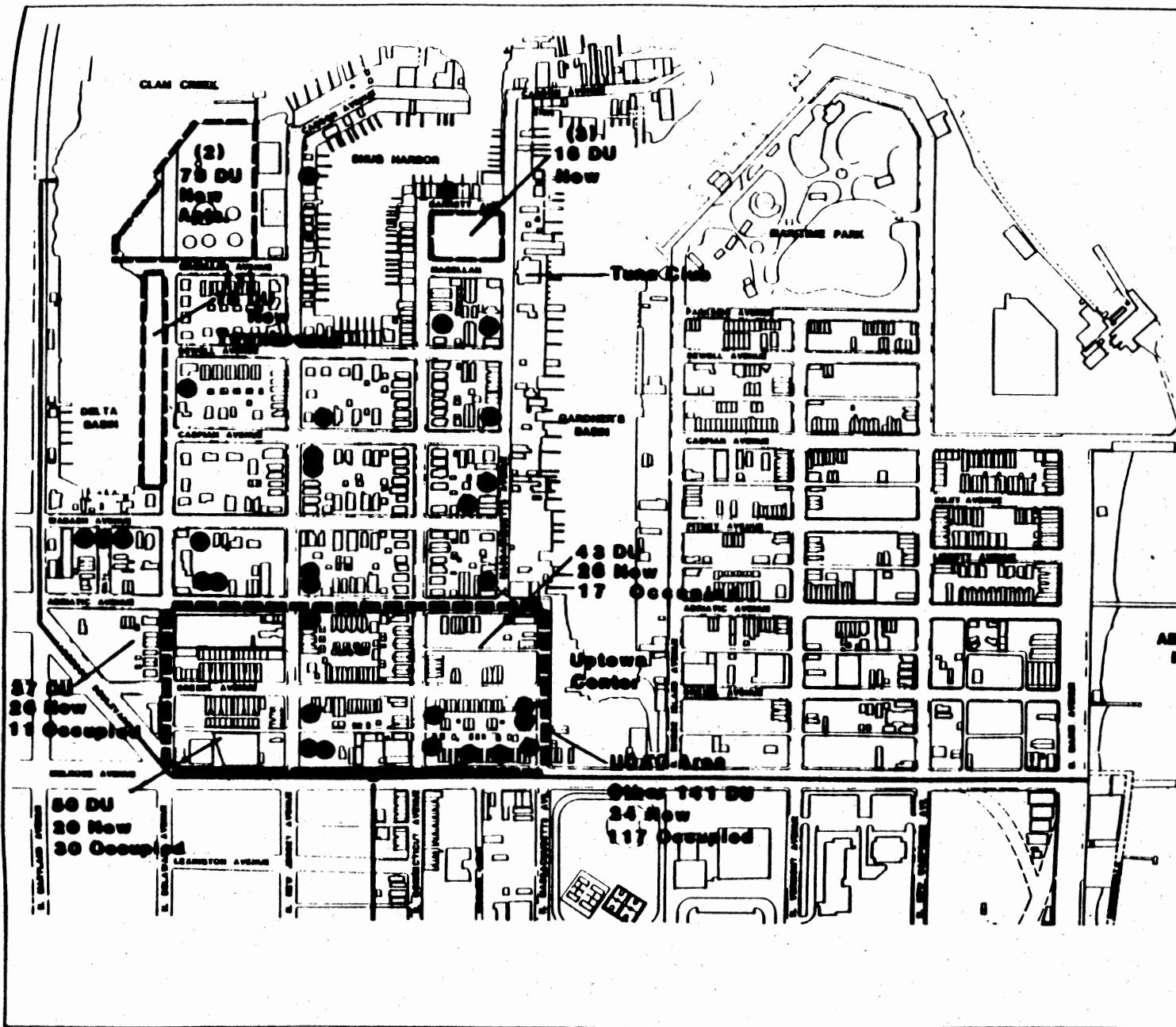
Realization of the residential potential of the Inlet Community will require a series of decisions regarding public investments, programs, and policies. Basic community infrastructure systems such as roads, sewers, and utilities must be improved. Environmental enhancements such as street trees and landscaping, sidewalk repairs, clean and safe waterfronts and underground utility lines will establish a quality residential setting. The provision of adequate police and fire protection, sanitation services and building code inspection and enforcement are essential to insuring the health and safety of residents and securing the value of real estate investments. Changes in zoning designations, the allowance of special exceptions and variances, the use of public powers to acquire private property and the handling of necessary relocations of existing residents must be sensitively administered within the framework of the law. These types of commitments, when made by the Atlantic City government, will establish a standard for prospective developers, investors and residents and are a basis for building confidence in the future of the Inlet as a residential community.

The construction of new residential units in the Inlet will be perceived as a risky business decision until there is proof of a strong public commitment. Once that commitment is evidenced, market demand, availability of development opportunity sites, and the prime location of the Inlet Community will combine to attract new residential development. Recent nationwide increases in

housing starts and local increases in building permits are evidence that new construction of housing retains its appeal as a residential choice. Excluding renovated units (255), a total of 2,495 new housing units could be developed in the Inlet.

Upon full redevelopment, a total of 5,100 residential units would be located in the Inlet Community (existing, new, and the completed Lighthouse Plaza). Relocation of 120 current households could occur to accommodate the new units proposed in this program. New and relocated units would be situated in one of four neighborhoods, offering the occupant a choice of residential environments:

- Bungalow Park would consist of 700 dwelling units upon full development, 450 of which are already existing and occupied. An additional 250 units could be developed on small, scattered sites around the neighborhood. All new development would be compatible in housing type and design with the existing low-density character of the neighborhood. Housing renovation could be encouraged by providing technical advice and financial assistance to homeowners in the neighborhood. At the same time, a program of public improvements and the enforcement of building code regulations would reassure owners that the City is committed to the conservation of this neighborhood. These actions should strengthen the neighborhood as an environment which is attractive to mature families of varied incomes, most of whom own their homes.

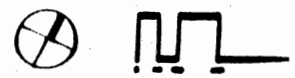


88 RENTALS  
165 OWNERS

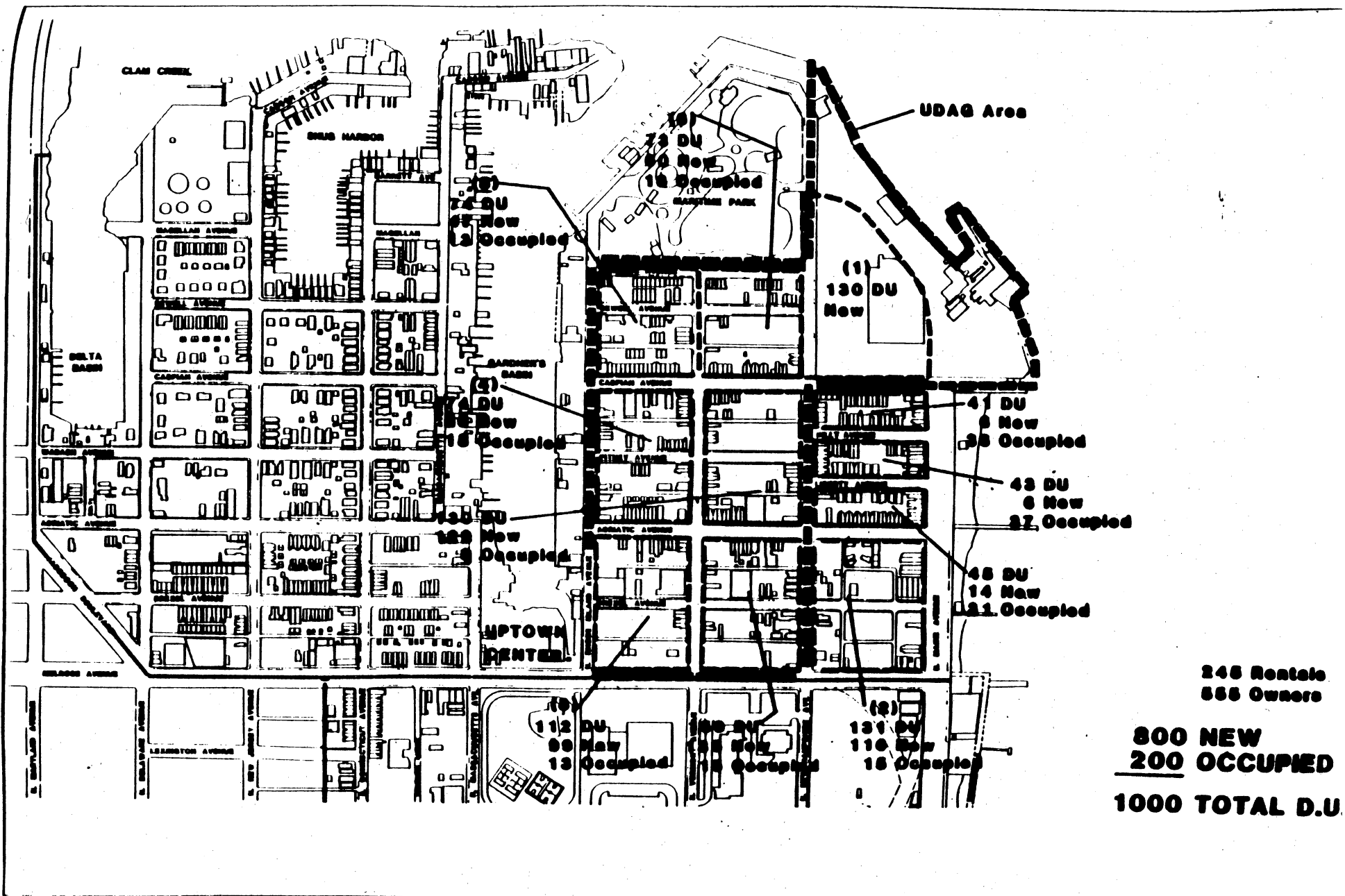
250 NEW  
450 OCCUPIED  
700 TOTAL D.U.

● Includes 20 NEW SPD owner units on various sites scattered throughout the neighborhood

**ATLANTIC CITY, NEW JERSEY**  
**FIGURE 6.8**  
**BUNGALOW PARK PROPOSED HOUSING**



- Gardner's Basin would contain 1,000 units upon full redevelopment. 200 existing homes which are occupied could be preserved. The character of the neighborhood would be strengthened by the construction of 760 new units, and the renovation of 40 presently vacant units. The 760 new units would be predominately of the townhouse, multi-plex and mid/high-rise housing types in the moderate price ranges. A comprehensive public improvement program replacing and repairing storm and sanitary sewer systems, utility systems, roads, and walkways would be necessary to accommodate new development in this neighborhood.
  
- North Inlet Village would have a total of 2,030 units upon full redevelopment; 900 of those units are currently occupied, including 456 in two new senior citizen high-rise buildings (Jeffries and Inlet Towers); 1,130 new residential development opportunities are presently available in the North Inlet Village. One hundred and fifty-five (155) vacant units currently exist in sound buildings which could be renovated. Up to 25 opportunities exist for the introduction of single family detached units on scattered vacant (mostly City-owned) lots in blocks where the existing housing could be renovated. The majority of the new units would be developed in higher density housing types--120 in townhouses, 295 in multiplex structures, and 535 in two mid/high-rise structures. Each block would require public improvements related to its specific development program



# ATLANTIC CITY, NEW JERSEY

**FIGURE 6.9**  
**GARDNER'S BASIN PROPOSED HOUSING**

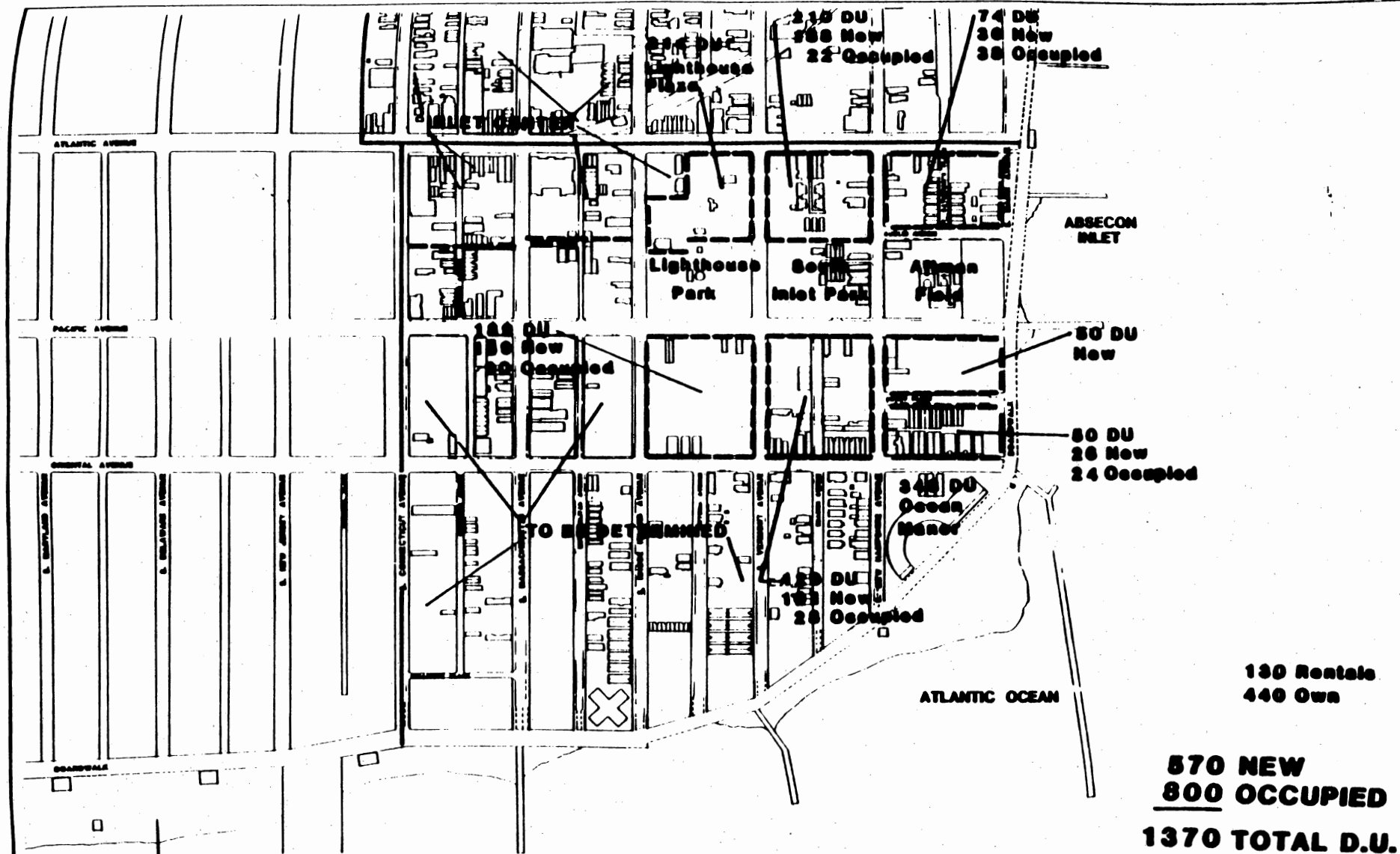




objectives. Prices of new units in the North Inlet Village would be distributed through the full spectrum of prices, ranging from 305 units at below-market price to 270 units at the highest prices. The North Inlet Village neighborhood would be a microcosm of the concept of a balanced residential community.

- South Inlet Village would contain a total of 1,370 dwelling units in the area bounded by Atlantic Avenue, the Boardwalk, South New Hampshire, Oriental and South Rhode Island Avenues. This figure includes the 348 units in the Ocean Manor Apartments as well as the 314 units under construction in the Lighthouse Plaza project. The remaining units would be comprised of 135-plus existing occupied units to be preserved, 35 existing vacant units to be renovated, 80 new units in multiplex structures, and 455 new units in three new mid/high-rise structures. High land costs necessitate higher density housing types and the predominance of new units in the moderate and higher price ranges in order for any residential development to be economically viable in this area. Street and sidewalk improvements as well as major community facilities such as parks and shopping should be developed within this neighborhood to support the relatively high density development which could occur.

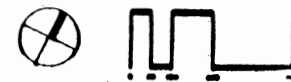
It should be noted that the numbers of development opportunities presented in this report represent the



# ATLANTIC CITY, NEW JERSEY

FIGURE 6.11

SOUTH INLET VILLAGE PROPOSED HOUSING



recommendations of the American City Corporation, based upon the level and quality of information available at the time of this writing. Given the scope and complexity of planning for the comprehensive redevelopment of 309 acres of land in a deteriorated urban setting, it is likely that some of the specifics of this plan will be modified as unknown conditions and opportunities arise during the implementation period.

Although circumstances might change and require revisions in the development arithmetic, the overall concept and the development objectives are essential to producing a balanced residential community.

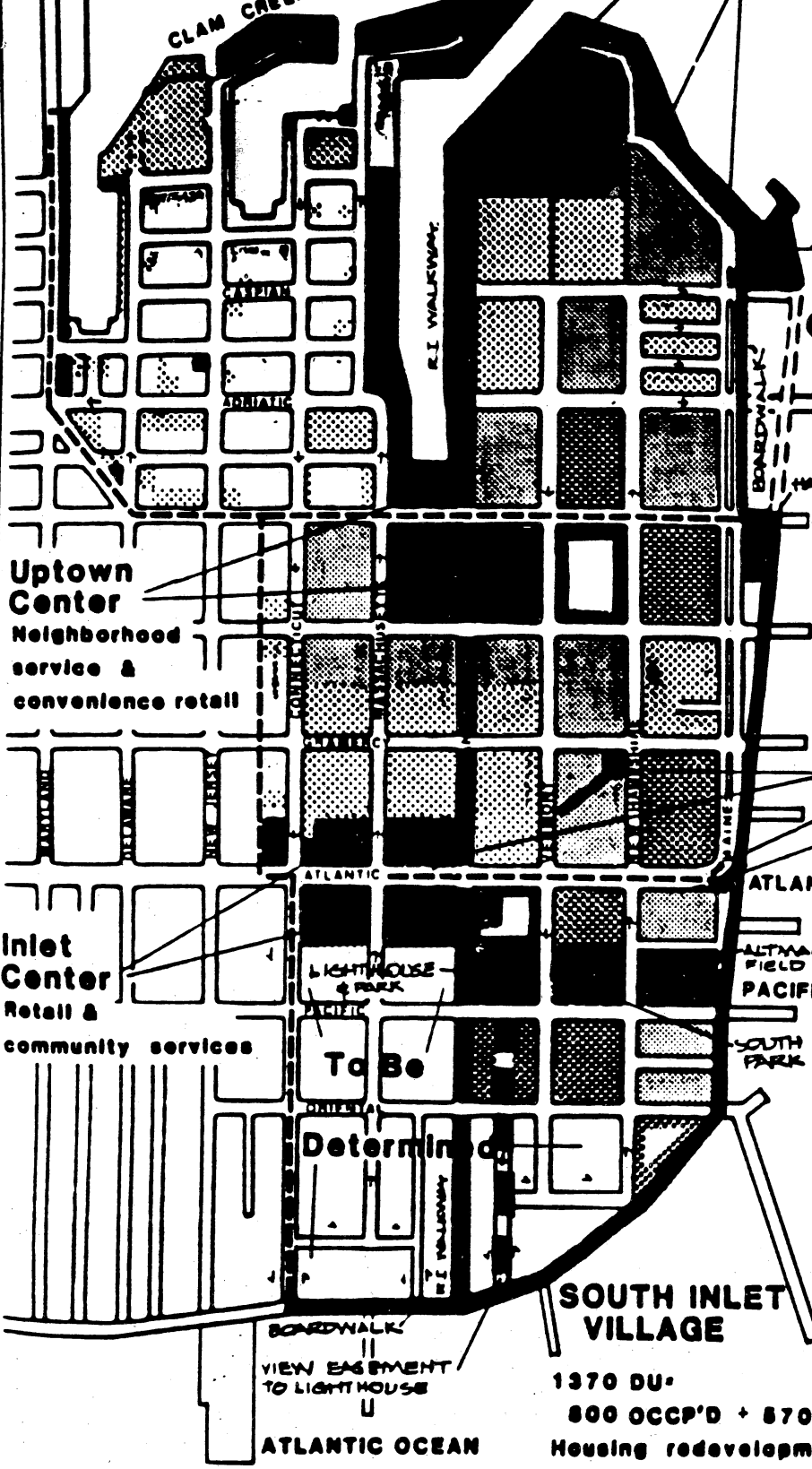
#### THE DEVELOPMENT PLAN AND ITS COMPONENTS

The development plan physically locates the various components of the balanced residential community--the housing, the system of circulation and access, the elements of commercial and service support, and the supporting recreation and leisure time activities. Together these components, sited according to the needs and desires of the existing and anticipated community and with respect for the built and natural environment, define the overall physical image of the Inlet Community.

Housing. Housing is certainly the foundation for the development plan. If the housing component is not successful, the fullest potential of the other components and the community as a whole will not be realized. The housing component of the plan locates the number of dwelling units by type and market sector for each block in the study area. In general, taller

7000 DU: 450 OCCP'D + 250 NEW  
 Reg. conservation & selected new

MAINE AVENUE REALIGNMENT AND  
 IMPROVEMENTS



**DWELLING UNITS**

OCCUPIED	2350
NEW	2750
<b>TOTAL</b>	<b>5100</b>

**GARDNER'S BASIN**  
 1000 DU - 200 OCCP'D + 800 NEW  
 Housing redevelopment &  
 selected rehabilitation

**NORTH INLET VILLAGE**  
 2030 DU - 900 OCCP'D + 1130 NEW  
 Housing rehabilitation &  
 selected new

**SOUTH INLET VILLAGE**  
 1370 DU -  
 800 OCCP'D + 570 NEW  
 Housing redevelopment

**Uptown Center**  
 Neighborhood  
 service &  
 convenience retail

**Inlet Center**  
 Retail &  
 community services

**To Be**

**Determined**

- RESIDENTIAL**
- Low-rise (3 stories max.)
  - Low/mid-rise (6 stories max.)
  - Mid/High-rise (12 stories max.)
  - High-rise (20 stories max.)
- COMMERCIAL**
- Convenience Shopping/Service
  - Community/Visitor Retail
  - Maritime Industry/Service
- OTHER**
- Recreation/Leisure
  - Existing Use
  - Pedestrian Way

# ATLANTIC CITY, NEW JERSEY

FIGURE 6.13  
 THE INLET COMMUNITY  
 PROPOSED DEVELOPMENT PLAN



buildings would be located adjacent to Jeffries and Inlet Towers and the proposed Lighthouse Plaza, which represent the highest development in the Inlet at 17, 14 and 19 stories in height respectively. The highest new development at 8 and 12 stories maximum, should be located off of, or near to, major streets such as Atlantic, Melrose and Maine Avenues to help keep traffic to a minimum within neighborhoods. The remainder of the blocks would contain low-rise housing (3 stories maximum), which could be accommodated in new and renovated buildings.

Circulation and Access. The circulation component of the Inlet Community Development Plan accommodates local traffic within the neighborhoods as well as visitors coming to the Inlet waterfront, the Boardwalk and beach.

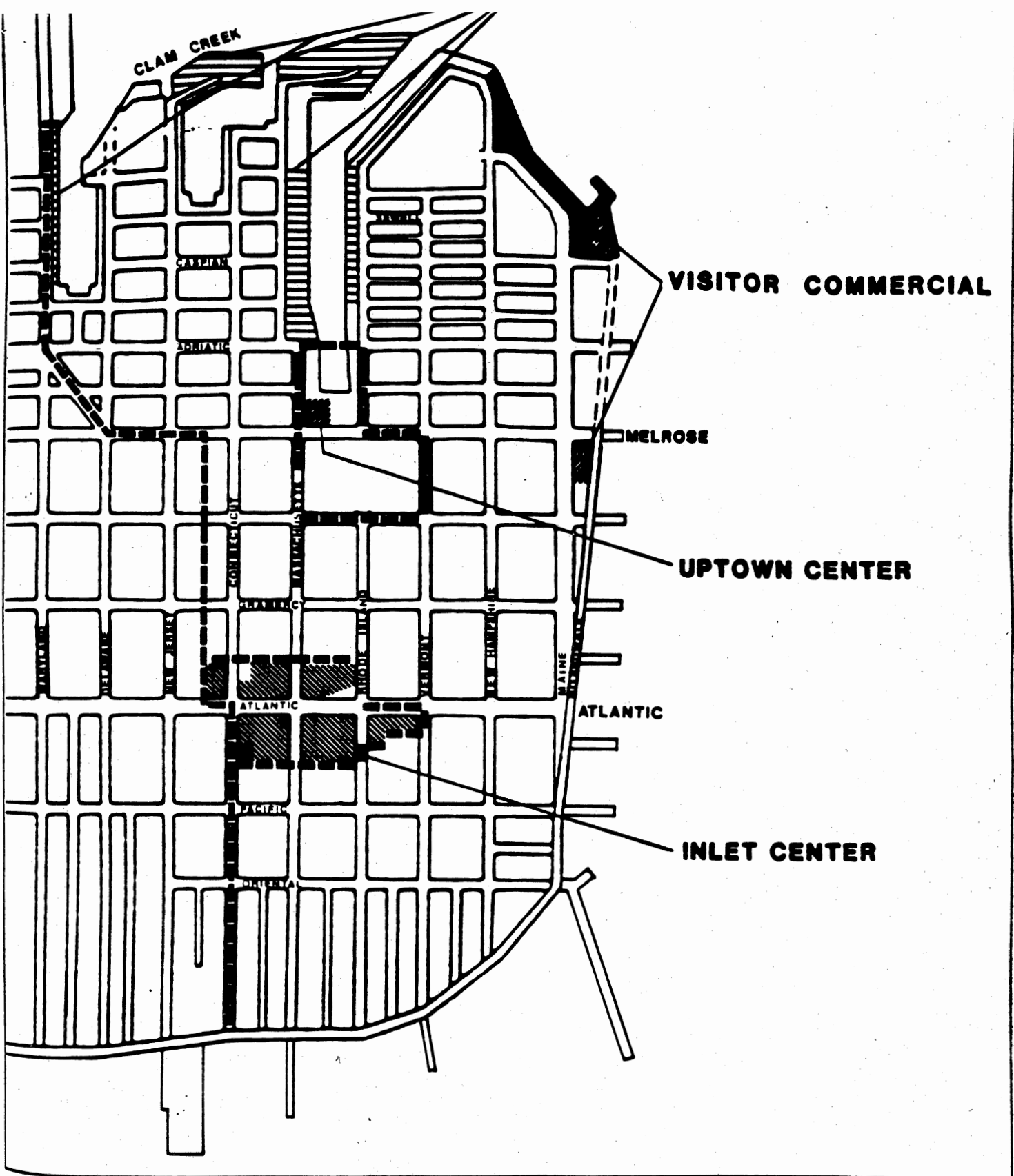
Entries to the Inlet Community and each of its neighborhoods would be along Atlantic and Melrose Avenues. Landscaping should be used along these streets to let visitors know they have entered a special residential environment. Signs, banners, entry posts, special paving, landscaped medians or other similar elements could further define the main entries into the Inlet Community.

The circulation and access component of the Inlet Community Development Plan should improve the existing street system by

organizing traffic in the Inlet into a more rational system of streets, according to their function.

Commercial and Service Support. The hub and focus of activity in balanced residential communities are the community centers. The Inlet Community should have two such centers--the Inlet Center to be located on both sides of Atlantic Avenue between Connecticut and Vermont Avenues, and the Uptown Center to be located on the north side of Melrose Avenue between Massachusetts and Rhode Island Avenues. Together, these centers should have the full range of community facilities and services required to support the community. Many of the needed facilities are already in place and could, with certain changes, fit into the overall new environment.

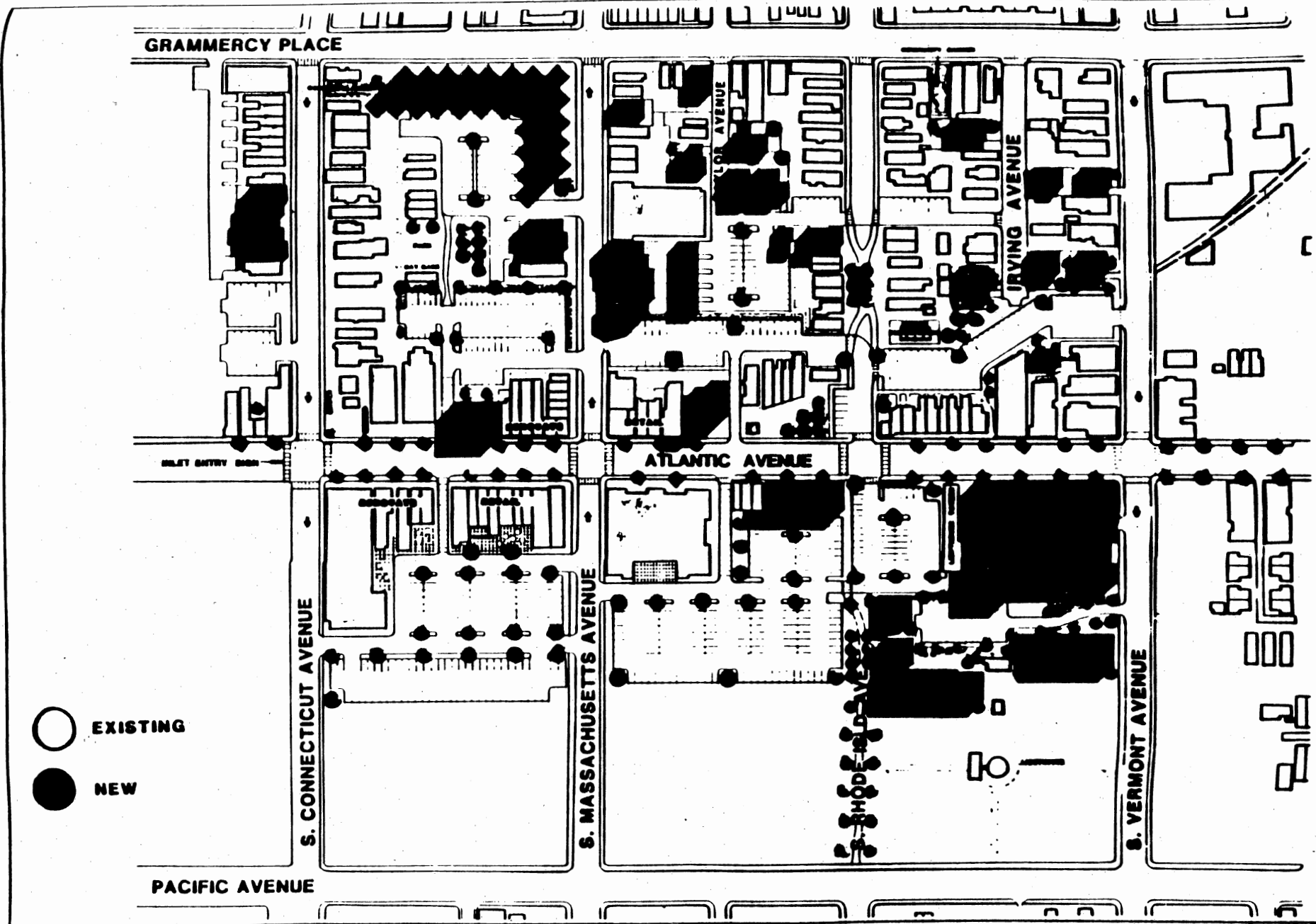
In the Inlet Center, existing convenience shopping and services should be expanded and improved to offer a more complete range of goods and services required for everyday living. There could be 80,000 square feet of convenience retailing and services in this center that will be indispensable to the new Inlet Community. Included in existing vacant and proposed new space could be a full service supermarket, a complete mix of convenience goods and services as well as a variety of eating and drinking establishments, and housing on the floors above commercial uses. Possibly, selected community, City, County, and State offices related to the neighborhoods, a community performing arts center, and incubator space for new small businesses could also be included.



# ATLANTIC CITY, NEW JERSEY

FIGURE 6.2  
 THE INLET COMMUNITY  
 PROPOSED COMMERCIAL





# ATLANTIC CITY, NEW JERSEY

FIGURE 6.3  
THE INLET CENTER ILLUSTRATIVE PLAN



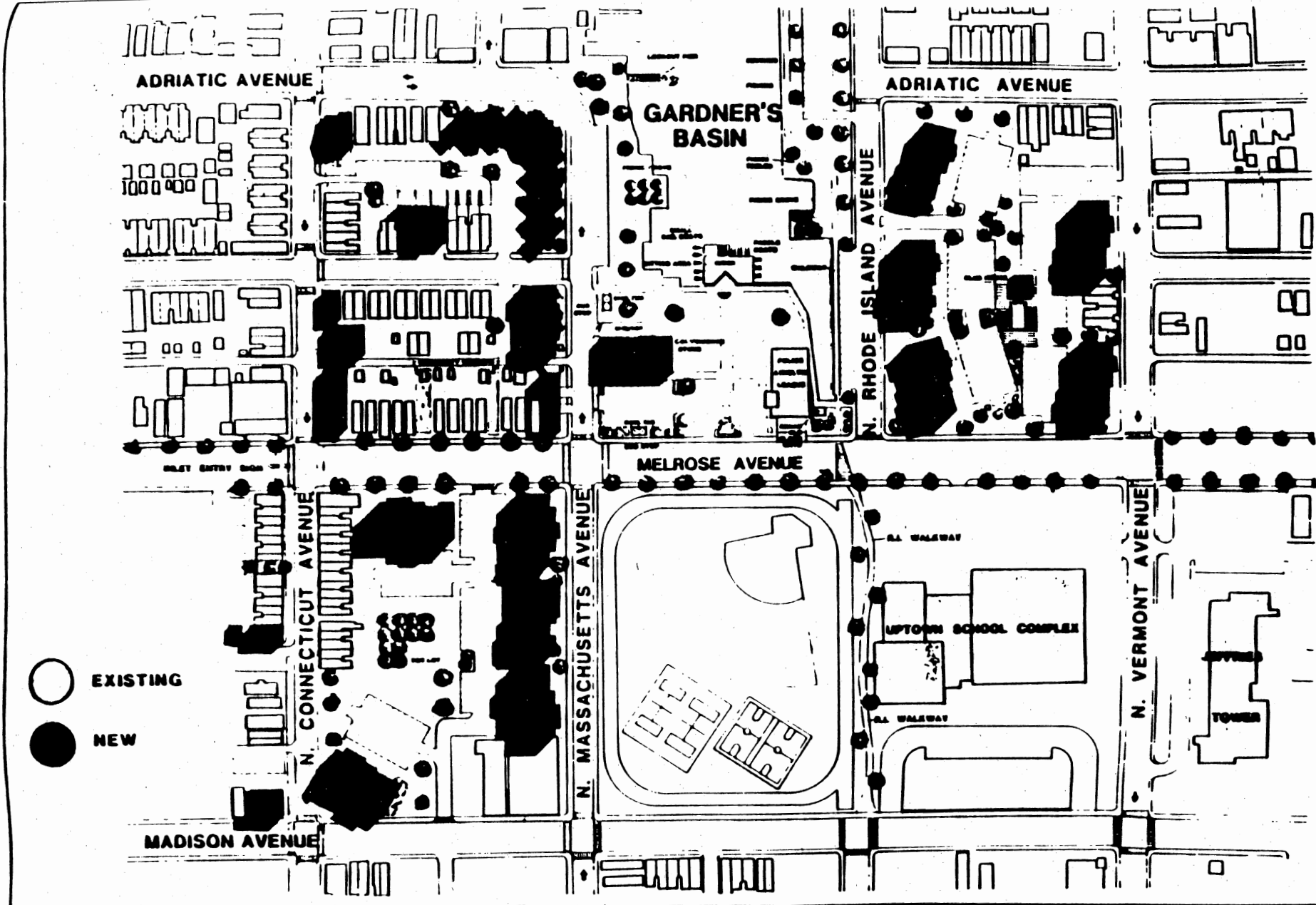
The Uptown Center, located at the southern tip of Gardner's Basin and facing the Uptown Complex, could provide commercial facilities to serve adjacent residential areas. Up to 10,000 square feet of gross leasable area could be accommodated on this site. The Center would be a waterfront destination and could include restaurants, shops, boat docks, a ferry terminal, a small inn or even a fish market. Commercial sites in this center could become highlights and destinations of the Inlet Community.

Commercial maritime uses (boat sales, storage and maintenance and commercial clamming) should remain. These special uses will require further analysis to determine what State and federal financial assistance might be required and how commercial clamming could be accommodated in Gardner's Basin and in Delta Basin (west side), where operations could be expanded. The boat sales, storage and maintenance uses should also remain along Clam Creek and Carson Avenue.

Recreation and Leisure. In a balanced residential community, parks, open spaces and walkways are meeting points and places for social interaction. Existing major parks, the activities and assumptions upon which the Development Plan builds are Maritime Park, Police Athletic League Club, Uptown Complex, Absecon Lighthouse and Park and Altman Field.

The major new park areas recommended in the Development Plan are:

- Uptown Center Park. The area around the Melrose Avenue section of Gardner's Basin should be improved as public open space with direct public access to the water for recreational uses. Areas for jogging, walking, viewing and family activities should be developed on both sides of the Basin, along Massachusetts and Rhode Island Avenues. An



# ATLANTIC CITY, NEW JERSEY

FIGURE 6.5  
THE UPTOWN CENTER ILLUSTRATIVE PLAN

area should be set aside for the rental and storage of small boats.

- South Inlet Park. Located between Lighthouse Park and Altman Field, this should be a well-landscaped urban park for outdoor activities appropriate to the scale and desires of the residents. With the development of this park, the view of the Absecon Lighthouse to the Boardwalk would be established and preserved.

The Inlet Community has very manageable dimensions for a pedestrian-oriented, neighborhood quality of life. Residents should reasonably expect a pedestrian environment to walk to the beach, stores and other destinations, particularly along Atlantic, Melrose and Maine Avenues. Such an environment should be created by clearly established walkways with appropriate landscaping, lighting and signs, scaled to the sight lines and pace of pedestrians. There are excellent examples of this kind of environment in the renovated area of Society Hill in Philadelphia. The proposed Rhode Island walkway would serve such a function.

Land Use Summary. Taking all the land use components together, the identity of Bungalow Park should be strengthened and the identities of Gardner's Basin, North Inlet Village and the South Inlet Village should be re-established with new housing, retail and service development, and community improvements. Rhode Island Walkway would unite the neighborhoods and the Inlet and Uptown Centers. The other special places proposed throughout the neighborhoods would reinforce each neighborhood's identity and strengthen an overall sense of community.

## IMPLEMENTATION: DEVELOPMENT PACE

To achieve the goal of a balanced residential community in the Inlet, development should occur in a systematic manner where one project builds on another, and public improvements reinforce private development. It is particularly important that new residential development proceed at a pace consistent with the market's ability to absorb new units.

The provision of community facilities and services and the availability of recreation and leisure activities will be especially important in the successful marketing of the Inlet Community. For example, the Uptown Complex and Park in the North Inlet Village are essential in creating an attractive, new environment that will attract new residents. New community services and new recreational facilities should be developed in locations and on a schedule which best stimulates desired new private development in the surrounding area. In a project of this magnitude, it is especially important not to flood the market nor starve it. The recommended pace is outlined below (figure 5.2) by tenure and price category.

This recommended development pace is based on the following objectives:

- Provide below-market and low price units early in the schedule to meet relocation requirements and goals;
- Develop rental units as early as possible to attract younger households and newcomers who want to test the area before deciding to buy; and
- Accelerate the pace of development over the seven-year development period to meet increased demand as the overall

community environment improves and the gaming industry expands.

A balanced residential community should provide as many of the components described in the development plan as can be supported economically.

THE INLET COMMUNITY DEVELOPMENT PACE  
FOR NEW DWELLING UNITS

<u>Rentals</u>	<u>Development Year</u>							<u>Total</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	
\$399 or less (below market)	15	105	40	85		20		265
\$400-599 (low price)	10	10	100	20	85	65		290
\$600-1,199 (moderate price)			15		180			195
\$1,200 or more (high)	—	—	—	—	—	—	—	—
Subtotal Rentals	25	115	155	105	265	85	0	750
<u>Ownership</u>								
\$37,999 or less (below market)	65	90	30					185
\$38,000-54,999 (low price)	35	35	25		55	170	120	440
\$55,000-109,999 (moderate price)		20	55	255	65	280	155	830
\$110,000 or more (high price)	—	<u>105</u>	<u>80</u>	<u>45</u>	<u>50</u>	—	<u>265</u>	<u>545</u>
Subtotal Ownership	<u>100</u>	<u>250</u>	<u>190</u>	<u>300</u>	<u>170</u>	<u>450</u>	<u>540</u>	<u>2,000</u>
TOTAL	125	365	345	405	435	535	540	2,750

Development Policy Issues

Two important policy issues relating to implementation of the development plan must be addressed--zoning and relocation of current residents and businesses. Both issues must be handled

fairly and equitably for the development of the Inlet Community to be a success.

Zoning. Current zoning allows development according to the plan just described, except for the Inlet and Uptown Centers and maritime uses. Zoning recommendations should be part of a comprehensive site-specific plan, submitted to the Atlantic City Planning Board and City Council for action. In the meantime, legal issues involved in any rezoning should be explored to determine the limits within which the City can act on zoning changes.

Relocation. New development may require relocation of certain households and businesses. Carefully planned, relocation can provide opportunities for improving the quality of quarters for residents and businesses that may need to be relocated.

Because of concern about relocation issues, the Atlantic City Task Force on Housing and Community Development on March 24, 1983, made the following recommendations:

Policy, Principles and Guidelines:

- a. Residents of the Inlet Community, regardless of household size or income, have a right to decent, safe, affordable housing in a stable neighborhood environment.
- b. Wherever it is economically feasible and consistent with the overall plan adopted for the Inlet Community, available vacant housing units and vacant land should be used for rehousing residents who must be displaced from their existing home to achieve the goal of a balanced residential community.
- c. When displacement is found to be necessary to achieve the goals of the plan, rehousing should be provided within the neighborhood in which the resident now resides, or no more than six blocks from the resident's current address.
- d. Rehousing, when required to achieve the goals of the plan, must be provided prior to physical displacement.

- e. Rehousing costs must be included in site-specific/cost-specific budgets prepared for the overall Inlet Community Development Program.
- f. A housing counseling program should be instituted as early as possible in a location within the Inlet Community to disseminate information helpful to residents considering rehousing.
- g. In order to halt any further loss of housing units, anti-deterioration efforts, including anti-arson, crime prevention and demolition control programs, should be intensified. When the City acquires a unit and it has renovation potential, it should be secured as quickly as possible to prevent further deterioration.
- h. Rehousing policy must be consistent with the laws of New Jersey and the Mount Laurel II Supreme Court decision of January 20, 1983.

Recommendations Concerning Relocation Compensation:

- a. Only those in legal residence within the stated boundaries of the Inlet Community as of January 1, 1983 should be considered eligible for rehousing under these guidelines.
- b. Homeowners with homes unencumbered by financial obligations should have the right to be rehoused in units comparably unencumbered.
- c. Homeowners with mortgage obligations should not be required to accept units with greater obligations, either in overall debt or monthly payments.
- d. Tenants who must be relocated will be provided replacement housing within the Inlet community which will be available for occupancy prior to relocation. This replacement housing will be at a comparable and affordable cost and at a size to meet the needs of the particular household.
- e. Homeowners and tenants who elect to accept rehousing outside the Inlet Community should be compensated and assisted under the provisions of the New Jersey Relocation Assistance Law.
- f. In order to prevent resales that might jeopardize the economic viability and stability of the Inlet Community, residents participating in the rehousing program should agree to live in their units for a period of five years. If individual circumstances arise requiring the sale of a rehousing unit, there should be a community development and management corporation to acquire the unit for a fair price and make it available for another owner or tenant at a comparable price. The intent is to keep maintaining an

inventory of affordable, decent housing in the Inlet Community and to discourage any hope for profit through the quick resale of rehousing units.

#### IMPLEMENTATION: DEVELOPMENT FINANCING

The financial analysis presents assumptions and conclusions regarding the development costs and financial feasibility associated with the implementation of the Inlet Community development program and plan. Both public and private investment responsibilities associated with the construction and renovation of the 2,750 new housing opportunities and other community improvements and facilities called for in this plan have been analyzed.

A number of basic assumptions were used by the American City Corporation as basic guidelines in undertaking this financial analysis. They are:

- Private development projects should offer a reasonable return on investment with reduced risk in order to be attractive to investors, particularly early on in the redevelopment process.
- Sales and rental prices should be at or below comparable units being offered elsewhere in Atlantic County in order to attract residents to Atlantic City.
- A superior neighborhood environment should be created through the high quality of private development and public improvements. This is reflected in the assumed development costs.
- Financial resources controlled by the public sector, particularly Casino Reinvestment Funds, would be made available to help achieve the objectives of the development program.
- National and State economic conditions would not change in a manner dramatic enough to alter basic market and financing assumptions during the seven-year development period.

A multi-faceted financial model was developed to test the effects of manipulating certain variables of housing affordability. By reducing the costs of one, or sometimes two variables, housing choices with development costs that are too high for market acceptability can be brought into an affordable range. The cost of these modifications were calculated. Sixteen housing choices, which represent a compressed version of the complete set of housing choices in the development program, were analyzed. All five of the unit types were investigated (vacant renovations, single-family detached, townhouse/rowhouse, multiplex and mid/high-rise) in the four price categories.

Ownership and rental units were considered together based on the assumption that a unit built for sale within a price category could be affordable as a rental in that same price category.

While many of the input variables to the Construction Cost model were by necessity different for each housing choice, a number of them remained constant for all housing choices tested under normal development conditions. These included:

- Average land cost at \$11.10 per square foot, based on a survey of recent transactions (Figure 4.12), excluding the South Inlet Village;
- Construction financing at 14 percent annual interest rate with an average outstanding balance of 60 percent (prevailing market conditions as of August 1983); and
- Assumed construction start in 1984, lasting a period of 24 months.

A gap was found in most unit types tested, which is indicative of why such projects are currently not being developed on their own. This gap is identified below as the amount of public capital necessary to bring certain units into an affordable market range.

INLET COMMUNITY  
RESIDENTIAL DEVELOPMENT COST SUMMARY  
1983 Dollars in Thousands

Housing Choice	Distribution of Cost		Total Cost
	Private	Public	
Moderate-Price, Vacant Renovations	\$ 5,182.5	\$ -	\$ 5,182.5
Low-Price, Vacant Renovations	3,704	720	4,424
Below-Market, Vacant Renovations	3,720	1,820	5,540
Low-Price, Single-Family Detached	1,122.5	1,712.5	2,835
Below-Market, Single-Family Detached	1,221.5	2,660	3,881.5
High-Price Townhouses	9,867	-	9,867
Moderate-Price Townhouses	11,733.5	3,425.5	15,159
Low-Price Townhouses	462	286	748
Below-Market Townhouses	4,125	4,092	8,217
High-Price Multi-Plexes	14,300	-	14,300
Moderate-Price Multi-Plexes	16,608	-	16,608
Low-Priced Multi-Plexes	15,973.5	1,380	17,353.5
Below-Market Multi-Plexes	6,919	2,368	9,287
High-Price Mid/High-Rises	43,435	-	43,435
Moderate-Price Mid/High Rises	40,126.5	943.5	41,070
Low-Price Mid/High-Rises	13,485	1,334	14,819
Renovation of Occupied Units	4,988	350	5,338
Relocation Assistance	-	1,777	1,777
<b>TOTAL</b>	<b>\$196,973</b>	<b>\$22,868.5</b>	<b>\$219,841.5</b>

In addition to the residential development costs, similar detailed financial analyses were performed for proposed community

facilities and services projects, recreation and leisure projects, commercial development projects, and public improvements.

The Inlet Community Cost Summary. The total investment on the part of the public and private sectors to implement the complete proposed development program and plan for the Inlet Community is \$246,452,500. A total of \$202,509,000 of this amount (82.1 percent) would be private investment capital. The public sector (at all levels of government, from all sources) would have to spend a total of \$43,943,500 to prepare the Inlet for redevelopment in the form of public improvements and financial incentives. The investment ratio of private dollars to public dollars is 4.61 to 1.0, which is considered more than adequate. The total cost to redevelop the Inlet Community as a balanced residential community is displayed below.

INLET COMMUNITY  
DEVELOPMENT COST SUMMARY  
(1983 Dollars)

<u>Development Type</u>	<u>Distribution of Cost</u>		<u>Total</u>
	<u>Private</u>	<u>Public</u>	
Residential	\$196,973,000	\$22,868,500	\$219,841,500
Community Facilities	-	6,098,000	6,098,000
Recreation & Leisure	-	7,897,000	7,897,000
Commercial	5,536,000	1,244,000	6,780,000
Public Improvements	-	5,836,000	5,836,000
<b>TOTALS</b>	<b>\$202,509,000</b>	<b>\$43,943,500</b>	<b>\$246,452,500</b>

Much of the work done in formulating this development program was based on the assumption that casino reinvestment funds would be available under flexible, yet sound investment

conditions. The unique nature of this redevelopment fund was seen as a key factor in achieving some important non-economic objectives of this plan. More specifically, casino reinvestment funds were assumed to be available to modify construction interest rates and land prices in order to close the sale price gap on the residential choices described earlier. Estimates have placed the potential pool of funds at over \$20 million per year. Only a small fraction of this fund should be required to stimulate outside private investment and achieve the implementation of the Inlet Community Development Plan.

IMPLEMENTATION: THE DEVELOPMENT CORPORATION

To realize the concept of a balanced residential community as described in this report, a complex process of public and private redevelopment actions will need to be taken over the next five to seven years. No amount of enthusiastic support from residents can make a project work which is economically infeasible. Elected officials cannot unilaterally be expected to carry out a project, regardless of how well conceived it may be. And no developer/investor can build a successful project without close cooperation with public agencies and close attention to the character of the surrounding community. A partnership of the community, government, and business interests will be needed at every step of the way.

For example there are direct business-related actions:

- Land must be acquired and prepared for development.
- Public utilities must be renovated or new ones installed.
- Streets and sidewalks must be repaired and, in some cases, replaced or realigned.

- Developers and investors must be identified, solicited, evaluated and selected.
- Development agreements must be drawn, negotiated and executed.
- Monitoring procedures must be established to keep the entire process on schedule and on budget.
- Marketing and promotion activities must be planned and carried out.
- City, County, State and Federal agencies must be dealt with to arrange financing, legislation and other matters indispensable to the successful development of the Inlet Community.

And there are indirect, but equally important, community related actions such as:

- Housing, shopping and community facilities must be constructed or renovated in accordance with a reasonable plan.
- Current residents must be given opportunities for rehousing or improving existing housing.
- Counseling and choices must be provided so that financing and other arrangements for renovations and rehousing can be carried out with minimal inconvenience and disturbance for the residents.
- The community at large must be kept informed and the Inlet Community, in particular, must be involved throughout the development process.

There is currently no one group, no one agency, or organization whose current mission, agenda, budget and staff address all of these concerns and tasks focused on the Inlet Community. While all City, County and State agencies have mandated, statutory concerns that are irrevocably related to the future of the Inlet Community, each has a far broader mandate and a wider constituency than the Inlet Community. All of these groups have important roles to play in the future of the Inlet

Community. Yet no one of these could be expected to make the Inlet Community its only mission or to mount the level of professional technical effort needed to carry out a program of this magnitude.

Formation of a private, non-profit Development Corporation (Inlet Community Development Corporation-ICDC) has been recommended to implement the development program and plan. This organization should have a single, full-time mission to advocate and facilitate every public and private action deemed by its directors necessary to achieve the comprehensive revitalization of the Inlet Community. It should be expected to operate with the managerial acumen of the highest quality private developer, but it should exercise this acumen on behalf of the public purpose contained in the concept of a balanced residential community and in accordance with the findings and recommendations of the Atlantic City Housing and Community Development Task Force adopted March 24, 1983.

ICDC should not operate, either as a conventional public agency, nor as a community forum. It should not be a substitute for government; it would not condemn land; and it would not commit City funds. ICDC would not go outside established procedures, regulations and rules nor replace or duplicate agencies. It could only be effective as a single-mission organization establishing working relationships with both the community and with public agencies and officials at every level of government. It should operate according to adopted charter and by-laws. It should review the overall development concept

-30-

at regular intervals with the community and other relevant interests. Neighborhood groups should be consulted on site plans and development proposals as early as possible. Marketing and promotional activities should include community goals and community groups.

Over the past twenty years, more than five hundred similar local development corporations have been established to carry out inner-city redevelopment programs. In New Jersey, for example, the New Brunswick Development Corporation was organized in 1975 as a non-profit development corporation. In Philadelphia, non-profit development entities have been operating in various parts of the city since the redevelopment of Philadelphia started over twenty years ago. Baltimore has had a similar record. The American City Corporation has directly participated in organizing and staffing local development corporations in numerous cities.

In May 1983, the Atlantic City Task Force on Housing and Community Development formed an Organizing Committee to incorporate the Inlet Community Development Corporation as the mechanism to carry out the redevelopment of the Inlet. The Organizing Committee is currently preparing By-Laws and Articles of Incorporation in anticipation of formal incorporation.

#### SUMMARY

Achieving a balanced residential community in the Inlet section of Atlantic City would have many beneficial results. It would provide a new standard and model for residential living for

all of Atlantic City. It could be cited by the City, County and State Economic Development officials in soliciting new jobs and businesses. The Department of Environmental Protection could find strong evidence for environmental planning that works. The casino operators could offer a superior residential environment to their employees.

This summary has been prepared by the Casino Control Commission, Division of Affirmative Action and Planning, Bureau of Policy and Planning. The reader is more advised to review the entire document to fully understand the residential development program prepared by the American City Corporation.