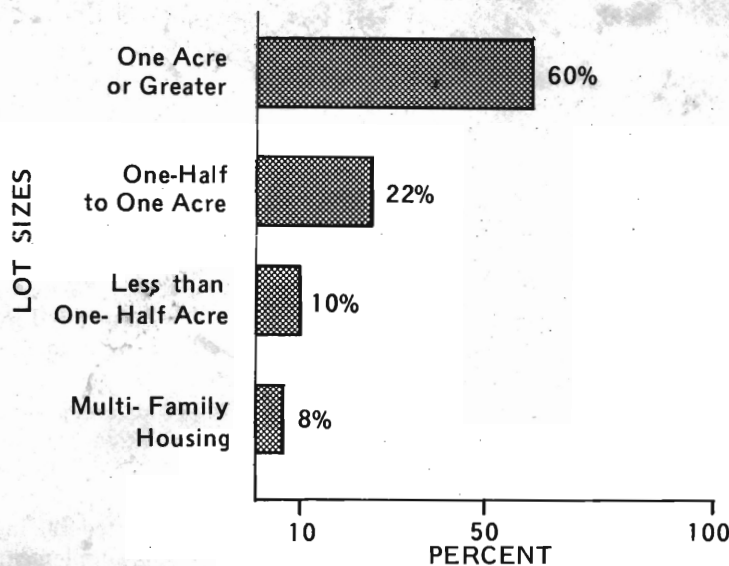


COMMUNITY

A Publication of the New Jersey Department of Community Affairs

ZONING OF DEVELOPABLE LAND
Summary of Eight Representative Counties



THIS CHART, taken from Governor William T. Cahill's Special Message to the Legislature on housing, shows how the remaining developable land for housing in eight New Jersey counties is zoned. The chart was developed by the Department's Division of State and Regional Planning. The counties included are Camden, Essex, Gloucester, Mercer, Monmouth, Middlesex, Morris and Somerset, which the Governor said offer an "excellent representative cross-section of the zoning problems which exist on a statewide basis." (See story at right.)

HFA Sells Its First Long-Term Bonds

The New Jersey Housing Finance Agency (NJHFA) last month sold its first long-term bonds to provide permanent financing for one of its developments.

The bonds, totaling \$5,060,000, were purchased by the Prudential Insurance Company, Newark, under the terms of a 1967 agreement between NJHFA and the nation's largest insurance firm. The funds will provide permanent financing for the 269-unit University Court cooperative development in Newark.

During December, NJHFA also sold \$42,657,000 in bond anticipation notes to provide short-term construction financing for low- and moderate-income housing in six New Jersey cities.

New Jersey National Bank, Tren-

ton, acting as agent for First National City Bank of New York, purchased the entire issue.

Some \$28,072,000 realized from the note sale is to continue financing current construction of six housing developments in Newark (three projects), Atlantic City, Paterson and West New York. These notes were sold for a six-month term, from December 15 to June 15, 1971, at an interest rate of 3.46 per cent per year.

The second section of the note sale was for a total of \$14,585,000, to finance construction of 597 units of housing in three developments in Newark, East Orange and Ventnor. This section was sold for a one-year term, from December 15 to December

(CONTINUED on page 6)

Cahill Urges Action To Increase Supply Of Decent Housing

Governor William T. Cahill has announced he will appoint a "highly selective committee" to work with the Department of Community Affairs to develop recommendations for a new State-wide building code and ways to "insure available land for the construction of low- and moderate-income" housing in all parts of New Jersey.

Plans for the new committee were contained in "A Blueprint For Housing In New Jersey," a special message transmitted to the State Legislature by the Governor on December 7. The 20-page message outlined the dimensions of the housing crisis in New Jersey, and suggested that firm action is needed to increase the State's supply of houses and apartments.

The Governor said New Jersey needs 100,000 additional housing units annually, but that only 40,000 a year were actually being built, leaving a deficit of 60,000 units. He warned that the deficit would reach "catastrophic proportions" unless solutions were found.

The Governor said "the perversion of zoning and planning" that exists in many communities has contributed to the shortage of low- and moderate-income housing in most areas of the State. While praising the role that local zoning has played "in helping to establish standards to protect the public from inadequate building practices," he said that some of these standards "may be excessively high," precluding any construction for moderate-income families.

The Governor offered detailed statistics to show that zoning regulations in eight New Jersey counties permit multi-family (apartment) construction on an average of only eight per cent of the developable land.

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HFA Grants Major Changes in Englewood, Camden Housing

The New Jersey Housing Finance Agency (NJHFA) has approved major changes in two different developments it is financing in Englewood and Camden.

In November, it increased by \$1.63 million its mortgage loan to the Greater Englewood Housing Corporation (GEHC) to finance construction of 270 units of low- and moderate-income housing in Englewood.

And last month, NJHFA increased the size of the proposed Northgate II development in Camden from 438 to 729 units in an effort to help meet the city's severe housing shortage.

Rent reduction assistance from the U.S. Department of Housing and Urban Development (HUD) for low-income families will be available in both developments.

NJHFA's action on the Englewood project came following a two-year effort by GEHC to gain approval for the development, which included a hearing before the New Jersey Supreme Court. It resulted in a major judicial ruling by the State's highest court effecting construction of low-income housing.

NJHFA originally granted a \$5.51 million mortgage loan commitment to GEHC in December, 1969. The development involves construction on two separate sites — in the Fourth and Second Wards of Englewood.

Englewood granted a variance for construction of the housing in the Second Ward, an area zoned for single-family residences. Neighbor-

hood residents brought suit to invalidate the variance, but the New Jersey Supreme Court ruled that the erection of low-income housing outside ghetto areas constitutes, in itself, a special reason for granting a zoning variance.

In rescinding its December, 1969 mortgage commitment for \$5.51 million and granting a new loan commitment for \$7.14 million, NJHFA cited inflationary increases in construction costs and changes in the development's plans and specifications during the period the development was delayed by litigation.

Construction of the development is scheduled to begin in January, 1971.

NJHFA's action on the Northgate II development involved a major revision of the number of apartment units and the overall concept of the project. The original \$14.5 million mortgage commitment for the development, approved in June, 1970, called for construction of 438 apartments, to be contained in two high-rise buildings and a series of garden apartments.

However, after negotiations with Camden city officials and concerned community groups, NJHFA in December rescinded the June commitment and agreed instead to finance 729 units, contained in four 15-story high-rise buildings.

Approval of a revised mortgage loan figure for Northgate II was delayed pending negotiations with con-

struction firms.

Northgate II is sponsored by Carpenters' Community Development Corporation, a non-profit group formed by the New Jersey State Council of Carpenters, AFL-CIO.

3 Housing Groups Get Planning Loans

Three non-profit groups have been awarded nearly \$190,000 in interest-free loans for preparation of construction plans to build some 615 housing units for low- and moderate-income families in Mercer, Passaic and Cape May Counties.

The loans were made from the Department's \$7.8 million Revolving Housing Development and Demonstration Grant Fund, administered by the New Jersey Housing Finance Agency (NJHFA).

Of the 615 proposed units, 415 will be specifically reserved for the elderly. All groups will be eligible for federal assistance to reduce rents for the apartments under the federal interest reduction and rent supplement programs.

The largest loan, \$67,875, was awarded to the Lawrence Non-profit Housing Corporation, in Mercer County. Construction of 200 units is planned. The \$4.85 million housing development will be located on a 25-acre site in Lawrence Township.

The Wayne Senior Citizens Housing Corporation received a \$66,450 loan to aid in the preparation of construction plans for 200 units of senior citizen housing in Wayne Township, Passaic County. Construction costs have not yet been determined by the group, although a 15-acre site has been selected.

A \$54,000 loan went to the Program for the Housing Development of the Diocese of Camden, organized by the Roman Catholic Diocese of Camden. Plans call for construction in Cape May City of a six-story development with some 215 units of senior citizen housing.

The site is two blocks from the ocean on a 2.4-acre urban renewal tract. It is expected to cost about \$5 million.

GOVERNOR William T. Cabill spoke recently at the official groundbreaking ceremonies for the New Jersey Housing Finance Agency (NJHFA)-financed Poplar Village housing development in Ocean Township, shown under construction. The \$1.962-million development will contain 93 units of moderate-income housing for the elderly.



Local Finance Annual Report Shows Rise in Municipal Costs

The expenditures of New Jersey's 567 municipalities during the 1969 calendar year increased 12.3 per cent over 1968, according to the 32nd Annual Report of the Division of Local Finance of the Department.

The 709-page volume, released last month, listed expenditures for 1969 of \$2.28 billion — a \$250 million increase over the \$2.03 billion spent during the 1968 calendar year. County expenses increased 8.7 per cent during the same period — from \$397 million to \$431 million, according to the report.

The report contains a variety of comparative financial statistics of every local government in the State. The statistics are tabulated to show such factors as composition and size of the tax base, cost of government, cost of principal services, and amount of debt.

One table shows equalized property tax rates for every municipality, permitting ready comparison of tax trends. The equalized tax rates are calculated by multiplying the general property tax rate by the ratio of assessed to true value, and, therefore, indicate the tax rate which would be applied if all municipalities were taxed at a 100 per cent assessment level, instead of the present variations among localities.

The annual report is prepared from information submitted to the division by municipalities and counties. Under State law, every local government is required to submit its annual budget to the division for approval, accompanied by supporting debt and financial statistics.

Joseph N. Ehret, Jr., director of the division, noted that the current annual report, the second to be computer prepared, contains more information on taxation and the tax base than that of previous editions. He said another new feature is the inclusion of a second financial rating, the Standard and Poor's rating. Previous annual reports contained only the financial rating from Moody's Investors Service, Inc.

Other statistics included in the report show:

- ▶ Health and Welfare expenditures declined four per cent, from \$53 million in 1968 to \$51 million last year, partially because the State assumed increasing amounts of local welfare costs;

- ▶ Public Safety expenditures increased to \$256 million or 13.7 per cent higher than the \$225 million spent in 1968;

- ▶ Recreation and Conservation budgets recorded an overall 14.2 per cent increase to \$31.7 million in 1969, but the amount spent for land reclamation and conservation practices amounted to \$323,000 — an increase of over six times the \$51,000 spent in 1968;

- ▶ General Government expenses rose to \$96 million, an 11.9 per cent increase over 1968's \$86 million; and

- ▶ Public Works allocations rose only 0.6 per cent, from \$174 million to \$175 million.

Copies of the report are available at a cost of \$10 each from the Office of Public Information, New Jersey Department of Community Affairs, P.O. Box 2768, Trenton, New Jersey 08625.



LYNDHURST — Governor William T. Cahill (center) and Community Affairs Commissioner Edmund T. Hume (right) unveil the master plan for the development of the Hackensack Meadowlands at State Senator Fairleigh S. Dickinson, Jr. of Bergen County watches. The plan calls for conservation, commercial, educational and residential use of the almost 20,000-acre area of meadows that extends across Bergen and Hudson Counties.

Photo by Hudson Dispatch

State Delays Tax-Sharing Plan For Meadowlands Communities

Operation of the novel tax-sharing provision of the Hackensack Meadowlands Reclamation and Development Act of 1969 has been postponed for two years — until February 1, 1973 — to allow sufficient time to test its feasibility.

The postponement was authorized by the State Legislature on December 14, when it enacted an amendment to the original meadowlands act. The 1969 law established the Hackensack Meadowlands Development Commission as an agency of the Department, with powers to reclaim and develop the 20,000-acre tract spreading across 14 communities in Bergen and Hudson Counties.

The amendment, co-sponsored by State Senators Fairleigh S. Dickinson, Jr. of Bergen County and Frank J. Guarini of Hudson County, was signed into law by Governor Cahill on December 21, 1970.

In brief, the amendment postpones operation of the tax-sharing plan from February 1, 1971, as authorized in the original legislation, to February 1, 1973 in order to allow a "dry-run" test of the formula before the tax-sharing plan goes into effect. It authorizes the Meadowlands Commission to collect and analyze essential data from the participating municipalities and complete a hypothetical run-through of the formula, so that any problem areas can be noted and corrected.

Under the tax-sharing plan, property tax revenues derived from new ratables in the meadowlands district will be pooled each year and returned to the 14 participating municipalities in proportion to the amount of undeveloped meadowlands area which they occupy.

Clifford A. Goldman, acting executive director of the Commission, said the two-year delay would enable the agency "to determine whether the formula equitably serves its intended purpose."

Guide Issued to Aid Consumers in Using Small Claims Court

A consumer's guide to the New Jersey Small Claims Court has been released by the Department and the Attorney General's office.

The publication, entitled "How to File a Suit in the New Jersey Small Claims Divisions," provides information designed to assist consumers — particularly indigent clients — in recovering small amounts of money owed them. It was written by Carl F. Bianchi, director of the Department's Office of Legal Services, in cooperation with the State Office of Consumer Protection, which is under the direction of Attorney General George F. Kugler.

Bianchi said the publication was

adapted, in part, from a similar publication issued by the New York Consumers' Advisory Council.

Community Affairs Commissioner Edmund T. Hume expressed the hope that the booklet would facilitate the use of the Small Claims Court.

"The Small Claims Courts are designed specifically to be used by citizens without the need of an attorney," he said. "Unfortunately, many people, and particularly the poor, are generally unaware of the proper procedures and legal steps that must be followed in using these courts. This pamphlet will provide that kind of information."

The 28-page booklet outlines step-

by-step procedures to be followed by persons who want to recover small amounts of money for damages to property or for failure to provide necessary services. It is written in easy-to-understand language and also explains several legal terms which are frequently confusing to non-lawyers.

Under State law, any person 21 years old or over may file a small claims suit of up to \$200 for most cases, and up to \$500 for tenants seeking return of security deposits from landlords. The Court provides a simple, rapid means for collecting small debts without having to use an attorney.

Bianchi said the Small Claims Court may be used, for example, to recover security deposits, to recoup from dealers the cost of faulty or unworkable appliances, or to recover minor personal damage claims.

In addition to the procedural guides, the pamphlet contains a number of sample documents and forms which prospective plaintiffs can use as guides in filing a small claims suit. It also includes directories of New Jersey's 21 County District Courts (19 of which contain Small Claims Divisions) and the 14 OEO local legal services agencies.

Bianchi said the legal services agencies, which represent the poor in civil matters, have experienced high caseloads, which often prevent them from processing small claims.

In addition, Kugler said his office receives a number of requests for assistance which should properly be directed to the Small Claims Court, but that complete information has not been available previously through a single source.

The 14 local legal services agencies and the Office of Consumer Protection will now be able to distribute the booklet to consumers so that suits can be filed without delay. Copies also will be available at no cost from the Office of Public Information, New Jersey Department of Community Affairs, P.O. Box 2768, Trenton, 08625, and the Office of Consumer Protection, 1100 Raymond Boulevard, Newark, New Jersey 07102.

Needs of Youth Examined in Workshops

The Department's Division of Youth has conducted three different conferences over the last two months aimed at encouraging the development of programs to meet the special needs of young New Jerseyites.

A one-day conference, held December 5 at Rutgers University, New Brunswick, examined the need to involve youth in municipal and community affairs. It was sponsored in cooperation with the President's Council on Youth Opportunity.

And two workshops were held in November. One, conducted November 20 at Monmouth College, West Long Branch, dealt with the need to provide physical education training for physically, mentally or temporarily handicapped children. The other, held November 14 at Rutgers, New Brunswick, sought to encourage more municipalities to participate in the Municipal Youth Guidance Council Program.

The December conference was designed "to encourage mayors to establish programs to meet the needs and problems of the youth of New Jersey at the community level," said John M. Cooney, director of the youth division. This would require "enlisting the support and cooperation of municipalities and community institutions."

The Nov. 20 workshop was led by

State and local health and physical education officials, who discussed the merits of establishing special physical education programs in the State's public elementary and secondary schools. A small number of New Jersey's 592 public school districts now provide such programs voluntarily.

The workshop included demonstrations by 16 children from the Wanamassa Elementary School in Ocean Township (Monmouth County) on the types of physical education that can be provided for the handicapped child. In addition, five blind children demonstrated the value of swimming as an expanding physical education activity.

The Nov. 14 workshop, attended by 200 local officials, civic leaders and youth, examined the Municipal Youth Guidance Council program.

Under the program, created in 1947 State legislation, municipalities may establish Municipal Youth Guidance Councils to work with youth in all aspects of community life. Such councils are now operating in 23 of the State's 567 municipalities.

The workshop included a panel discussion by members of various municipal youth guidance councils and youth-serving agencies who spoke on the experiences of councils in their communities.

Department Begins Recruitment for Summer Intern Program

The Department is now accepting applications from college and graduate students for next summer's Interns in Community Service program.

It will be the fifth consecutive year the intern program has been conducted.

The 11-week program expects to employ about 150 students in a variety of challenging public service positions throughout the State. Participants will work on a full-time basis from June 14 through August 27 in municipal, county, and State offices, antipoverty and legal services agencies, Model Cities programs and some public-oriented private agencies.

The general application deadline is April 1, but law students must apply by February 15. However, students are strongly urged to submit applications as soon as possible.

"The intern program seeks to involve students in public affairs at the State and local level in order to utilize their skills and, eventually, attract them to government careers or other forms of public service," said

Community Affairs Commissioner Edmund T. Hume. "These talented young men and women are placed in all kinds of positions, ranging from aides to mayors and other local officials to research assistants and community workers."

Students regularly enrolled as undergraduate or graduate students at accredited colleges or universities are eligible to apply. Preference is given to New Jersey residents and students attending New Jersey colleges.

In general, applicants must demonstrate a balance of academic achievement and evidence of interest or involvement in community or public affairs. There are no age, sex, or marital restrictions, but immediate relatives of Department employees are not eligible.

Intern salaries range from \$2.00 an hour for college freshmen (those who have completed their first year of studies) to \$3.25 an hour for graduate students.

Applications may be obtained by

writing to: Interns in Community Service, New Jersey Department of Community Affairs, P.O. Box 2768, Trenton, New Jersey, 08625. Copies also are available at many college placement offices.

Appointments Made To Advisory Posts

Francis D. Murphy, a practicing attorney who has served previously in municipal government, has been named by Governor William T. Cahill to an unexpired term on the 13-member Advisory Council on Community Affairs.

His appointment was confirmed by the State Senate on December 12.

Murphy, who resides in Fort Lee (Bergen County), was a delegate to the New Jersey Constitutional Convention of 1947. He also was a member of the local governing body of West New York and president of that community's board of education.

He will serve the remainder of the four-year term of John J. Gibbons, who resigned. The term expires June 26, 1971.

The Advisory Council offers the Commissioner advice on the problems of local government and conducts studies on specific community problems.

In other action, the State Senate confirmed two appointments to the nine-member State Commission on Aging: Walter J. Freund, of Jamesburg, who formerly served as judge of the State Superior Court, State Assemblyman, and Bergen County Freeholder; and Harry S. De Camp of West Long Branch, president of the Morgan Insurance Company, West Long Branch, and founder and charter member of the West Long Branch Lions Club. They will serve two and three year terms respectively.

The Commission advises the Department's Division on Aging on programs and legislation designed to meet the needs of older citizens, and maintains liaison with other groups in the field.

Recently Completed Administrative Studies Of Local Government Operations

Subject	Municipality Requesting Study	County
General Administration:	Absecon	Atlantic
	Metuchen	Middlesex
	New Providence	Union
	Ocean City	Cape May
	Passaic Township	Morris
Feasibility of Joint Municipal Services:	Englishtown and Manalapan	Monmouth
Fire Protection:	Willingboro	Burlington
Police Protection:	Metuchen	Middlesex
Public Works:	Parsippany-Troy Hills	Morris

Total Number of Studies Completed Since 1967: 73

At the request of a community, the Department analyzes the general administration or a specific function of a municipality and completes a printed report of its findings and recommendations.

Copies of the studies are available at \$1 each from the New Jersey Department of Community Affairs, P.O. Box 2768, Trenton, N.J. 08625. Checks should be made payable to the State Treasurer.

CAHILL *from page 1*

The remainder of the developable land in these counties is zoned for single-family housing, with some 60 per cent of the total requiring one-acre or more for each house.

The Governor noted that recent court decisions are "becoming increasingly more aggressive and rapid in striking the abuses presently existing in the zoning and planning fields." He cited several key court decisions and added that "knowledgeable attorneys" were predicting a court-ordered end to absolute prohibitions against apartment construction.

Some form of legislative action is clearly required to "avoid the catastrophic impact of expected court decisions" and preserve the traditional "home rule" concept of New Jersey's 567 municipalities, the Governor said.

Because of the complexity of the zoning issue, the Governor said he had decided to "appoint a highly selective committee to work with Community Affairs Commissioner Edmund T. Hume and his knowledgeable staff . . . to prepare recommendations for a new State building code . . . and to develop a New Jersey plan to insure available land for the construction of low- and moderate-income houses and apartment construction throughout the entire 21 counties of our State."

He said there was a need for a new State-wide building code because "our present network of local build-

ing codes does not facilitate the building of housing on a large scale."

He asked that the committee, "at its earliest convenience" report its recommendations to the Legislature, and added that his Administration "will be ready to take the lead in all appropriate and necessary legislative proposals . . ."

The Governor also said the law creating the New Jersey Housing Finance Agency (NJHFA) should be amended to permit the agency to issue "resolutions of need" for moderate-income housing. At present, a municipality's governing body must pass such a resolution before the NJHFA can consider financing a development in a community. In addition, the proposed development must meet local zoning requirements.

The Governor added that "some way must be found" for NJHFA to "overcome abusive application of local zoning laws" which block NJHFA-financed developments. Safeguards to protect municipalities would be required if such an approach were adopted, he said.

Also, incentives from the State, in the form of increased monetary assistance, should be considered to encourage construction of NJHFA-financed housing, he added.

Copies of the Governor's housing message are available from the Office of The Governor's Press Secretary, The State House, Trenton, N.J., 08625.

BONDS *from page 1*

15, 1971, at a rate of 3.57 per cent per year.

John P. Renna, Jr., executive director of NJHFA, noted that the interest rates at which the notes were sold, were significantly lower than NJHFA's previous public note sale. On July 29, 1970, NJHFA sold \$12,737,000 in notes at an interest rate of 5.45 per cent per year for an eight-and-one-half-month term.

Sale of NJHFA's first bonds to Prudential represented a significant milestone for the State's moderate-income housing program. The University Court development was the first housing to receive a mortgage commitment from NJHFA.

Prudential provided the short-term construction financing for University Court and agreed in 1967 to purchase the bonds at an interest rate of 4.5 per cent as part of the life insurance industry's \$2 billion urban investment program.

The bonds were sold serially for a 48-year period from 1971 to 2019. University Court was opened for occupancy in July, 1969 and is now fully occupied.

Also in December, groundbreaking ceremonies were held for the NJHFA-financed 203-unit Dodd-town II project in East Orange. The \$5,705,000 development will provide housing for the elderly.

JANUARY, 1971

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