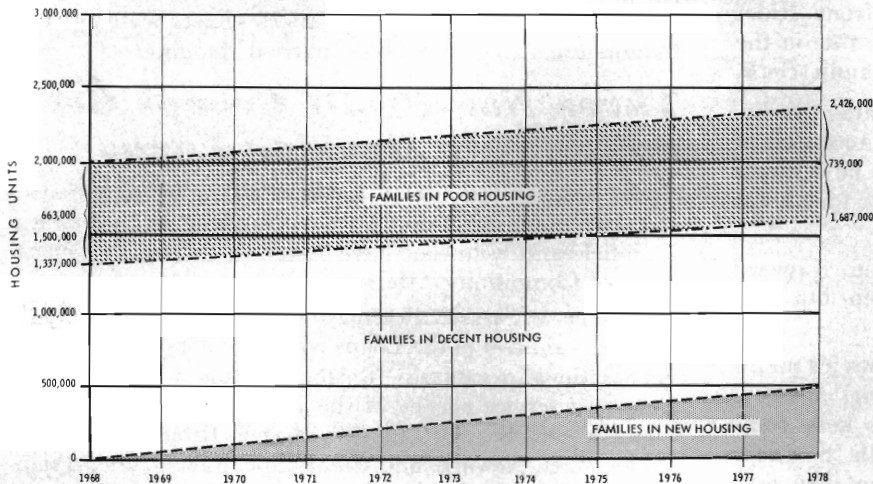


COMMUNITY

A Publication of the New Jersey Department of Community Affairs

NEW JERSEY'S HOUSING GAP



HOUSING GAP—The above graph, based on a study of housing by the State Housing Finance Agency, depicts the need for an estimated 739,000 units of new or rehabilitated housing in New Jersey by 1978, if the state is to keep pace with population increases and rates of deterioration.

Ten N.J. Cities Seek Model Cities Grants; State Total Is Third Highest In Country

New Jersey ranks third nationally in the number of applicants for second round Federal Model Cities planning grants.

By the April 15 deadline, ten New Jersey communities—including six that had applied unsuccessfully for first round grants—submitted Model Cities proposals seeking a total of \$1.28 million in federal planning funds. The program is administered by the U.S. Department of Housing and Urban Development (HUD).

With ten applicants, New Jersey led its own Middle-Atlantic State region, which also includes Pennsylvania, Maryland, Virginia, West Virginia, Delaware and the District of Columbia. On the national level, only California, with 13 proposals, and Ohio, with 12, had more Model Cities applicants than this State. New Jersey and Texas were tied for third with 10 each.

The ten New Jersey applicants and the federal funds they seek are:

New Brunswick, \$218,180; Jersey City, \$197,931; Camden, \$159,360; East Orange, \$146,540; Perth Amboy, \$122,960; Paterson, \$114,495; Orange, \$101,445; Plainfield, \$100,707; Cape May, \$66,432; and Atlantic City, \$54,800. Of these, Paterson, Plainfield, New Brunswick and Cape May had not sought first round grants.

All ten were assisted in preparing their Model Cities proposals by personnel from the State Model Cities-Community Development Program of the Department of Community Affairs. Under the program, all ten also were designated to share \$261,500 in State Model Cities grants to cover the costs of hiring local staffs.

The Model Cities and Metropolitan Development Act is a major attempt to improve city life through a comprehensive and coordinated attack on the social and physical problems in slum neighborhoods. The legislation pro-

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Over \$26.6 Million In Housing Loans Go To Four Groups

The New Jersey Housing Finance Agency has approved mortgage loans totaling more than \$26.6 million for the construction of four moderate-income housing projects in Newark, Union City and West New York and for the rehabilitation of a group of tenements in Newark.

The loans, approved at the agency's April meeting, will finance construction of 1,321 new housing units and provide 94 units in 29 rehabilitated tenement apartment buildings. It was the first time the HFA has granted a mortgage loan for rehabilitating housing since its founding last May.

Community Affairs Commissioner Paul N. Ylvisaker, who heads the HFA, said the agency hoped to complete arrangements by June for floating revenue bonds to finance the loans. He said construction on all four new housing projects was scheduled to begin before the end of the year.

Two mortgage loans went to Arthur H. Padula, a local developer, for constructing separate projects at 515 and 440 Elizabeth Avenue in Newark's South Ward. One loan, amounting to \$4.68 million, would help finance construction of a \$5.2 million, 28-story apartment building, while the other, totaling \$3.69 million, would be for a 24-story elevator apartment, which would cost \$4.1 million.

The first apartment would provide 264 units of one, two and three-bedroom apartments renting from \$145 to \$195 a month. The second building would offer 207 units of one, two and three-bedroom apartments renting from \$140 to \$190 a month.

The third agency loan, totaling \$12.75 million, went to the Overlook Terrace Company and Conforti and Eisele, Inc., contractors, for building two 26-story high-rise apartment

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Coward Plans July Retirement After 42 Years Of Service With The Division Of Local Finance

William G. Coward, assistant director of the New Jersey Division of Local Finance, will retire July 1 after 42 years with the state agency.

Coward joined the division, then the Department of Municipal Accounts, after his graduation from Rider College in 1926. He has held almost every job title in the agency through the years, beginning as an audit clerk.

Coward has served under three directors: Walter Darby, who headed the Department of Municipal Accounts at its creation in 1917; George C. Skillman; and now James A. Alloway. Coward himself was acting director for almost two years after Skillman's retirement.

Recalling his first years with the division, Coward remembers that it was a bigger agency then but had fewer powers.

"We audited municipal accounts, set guidelines for municipal accountants to follow and gave financial advice," Coward said. "We did not have the power to keep communities from unrestricted borrowing. With no debt limits, municipalities floated more bonds than they ever could support."

The depression changed that, according to Coward. Before long, some 35 municipalities in New Jersey found themselves bankrupt. The need for some state limitations on local borrowing became evident.

To administer such limitations, the Legislature in 1937 created the Local Government Board, and in 1938 made Municipal Accounts (it had become a part of the Office of the State Auditor in 1933) an independent function once again under the new name of the Department of Local Government. The board became a part of the new department.

"The board took over the job of the Municipal Finance Commission which had been set up in 1931 to help bankrupt communities refinance their debts," Coward said. "In addition, it was given vital powers to prevent such a disaster from occurring again. Among these was the power to set debt limits and to approve all municipal bond issues in excess of legal debt limitations."

Local Government became a division of the Department of Taxation and Finance in 1944 and a division of the Department of the Treasury in 1948. Its name was changed to the Division of Local Finance last year when it and the Local Finance Board became a part of the Department of Community Affairs.

"Since its creation, the Local Finance Board has cut the number of bankrupt municipalities in the State to the five still under its supervision," Coward said. It has heard 1,032 requests to exceed local debt limits.

"After World War II, municipalities were coping with the financial problems of providing schools for the baby boom," he notes. "Today they seek funds for the sewer systems and community facilities needed by the same group now grown up. Requests to the board for credit extensions

have reflected these needs."

Although he will be retired from service in the State Government, Coward will still be involved in municipal financial problems with a private firm on a part-time basis.

Coward is a member of the Municipal Finance Association of the United States and Canada, Municipal Accountants Association of New Jersey, American Society for Public Administration and the New Jersey Registered Accountants Society.

Coward and his wife live at 19 East Welling Ave, Pennington. They have one married daughter.

Three Non-Profit Groups Get \$62,000 In Housing Loans

Three interest-free loans totaling \$62,000 for pre-construction planning of moderate income housing in Newark, Plainfield and Wildwood have been awarded by the Department of Community Affairs.

Thomas V. Seessel, director of the State Housing Finance Agency, said two of the Loans will go to non-profit housing corporations organized by the Mount Carmel Guild, the social service agency of the Roman Catholic Church's Newark Archdiocese. They are Branch Brook Community Living, Inc., Newark, and Community Living, Inc., Plainfield. Each will get \$20,000.

The third loan of \$22,000 goes to the Lions Center of Wildwood to complete plans for a moderate income housing development for the elderly. The group expects to build a five-story apartment building on a 1.5-acre lot between Oak and Wildwood Aves.

All three loans were made from the Community Affairs Department's Housing Development and Demonstration Grant Fund, which Seessel administers. The fund consists of \$1 million in state appropriations.

Branch Brook Community Living, Inc., will add \$5,000 of its own money to the state loan to complete housing development plans for a four-acre area west of Branch Brook Park in Newark's North Ward.

The group expects to build two 21-story towers with a total of 420 rental units ranging from efficiencies to 4-bedroom apartments. The corporation also plans to construct a bridge across a portion of the Newark Subway tracks that will give tenants direct access to the park.

The Plainfield group expects to build garden apartments containing 150 units on six acres of vacant land in the West End. Units will range from one to four bedrooms.

Both the Newark and Plainfield corporations later plan to apply to the State Housing Finance Agency for low-interest mortgage money when the preliminary plans are completed, Seessel said. The Lions Center will use its final plans to seek a mortgage from the Federal Housing Assistance Administration through its federal senior citizens' program.

NEW PUBLICATION: Department of Community Affairs, Division of State and Regional Planning: *New Jersey Open Space Policy Plan*, 1968. Comprehensive study of open space policy questions in New Jersey. 120 pages. \$3.

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towers, containing a total of 600 units. The towers, to be located on John F. Kennedy Memorial Boulevard in West New York, would sit atop the Palisades, offering a panoramic view of Manhattan across the Hudson River.

Rents would range from \$127 a month for one-bedroom to \$200 a month for three-bedroom apartments. Total cost of constructing the towers is estimated at \$13.3 million.

The fourth loan, for \$4.32 million, went to Redevelopment Associates, Inc. of Iselin, to construct a 250-unit, 18-story apartment at 45th Street and Newark Avenue in a Union City urban renewal area. This project, which would cost an estimated \$4.8 million, will offer units renting from \$115-\$125 a month for one-bedroom to \$190-\$200 a month for three-bedroom apartments.

All four are for 50-year mortgages at 90 per cent of the total project costs.

The fifth mortgage, amounting to \$1,176,975, will cover the total cost of rehabilitating—for moderate income occupancy—29 three-family frame tenements in S. 19th and S. 20th Street in Newark's South Ward. The loan went to the Tri-City Citizens' Economic Union, a non-profit group of community leaders and clergy with headquarters in East Orange, which is serving as sponsor.

The rehabilitation mortgage was approved after the first of the 29 buildings was successfully rehabilitated through the use of a \$56,900 interest-free loan from the Community Affairs Department's Housing Development and Demonstration Grant Fund. The loan, awarded in late February, was used to test the feasibility of completing the entire development, known as Amity Village, at rents within the reach of moderate-income families.

According to Thomas V. Seessel, HFA director and administrator of the housing fund, the demonstration proved successful and resulted in subsequent agency approval of the mortgage loan to complete the job.

"This coordination between the HFA and the Community Affairs



NEWARK REHABILITATION — State and local housing officials examine plans for rehabilitating the first of 29 frame tenement-buildings in Newark's South Ward through mortgage loans from the State Housing Finance Agency. The house, located at 94 South 19th Street, is part of a local rehabilitation project known as Amity Village, which is being directed by the Tri-City Citizens' Economic Union, a non-profit housing group. Standing in front of the house are Rutledge A. Waker (right), an HFA rehabilitation consultant, and Ernest Winston (left), general contractor, and Walter Barry, director, of the Amity Village project. (Photo by Michel de Goyon).

Department's demonstration housing program is a good example of how one program can be used to facilitate another," said Seessel. "Through the use of demonstration funds, we were able to test the feasibility of this project, thereby facilitating a mortgage decision by the HFA, which is bound by law to approve financially workable projects."

The rehabilitation project will provide 94 units for cooperative ownership, to be financed by a 35-year mortgage loan at 100 per cent of project cost. The anticipated average monthly carrying charges will range from \$80 a month for a single efficiency to \$135 a month for a three-bedroom apartment. The remaining 28 buildings will be rehabilitated in groups of four or five buildings at a time, Seessel said, to facilitate "staged relocation of residents."

The five mortgages added to an HFA mortgage commitment of \$4.2

million for permanent financing of a 270-unit middle-income garden apartment complex in Newark's Central Ward. This project, now under construction, has obtained construction financing from the Prudential Insurance Co. through a \$1 billion pool contributed by the nation's major life insurance companies.

Elizabeth Renewal

The Department of Community Affairs approved earlier this month a \$20,000 community renewal grant to the City of Elizabeth.

Sidney L. Willis, director of the Department's Division of State and Regional Planning, said the city will use the money to further develop the urban renewal aspects of its comprehensive master plan. The state grant supplements a \$120,000 grant from the U.S. Department of Housing and Urban Development (HUD).

New Meadows Bill Adopted In Senate

A bill to reclaim and redevelop nearly 18,000 acres of vacant meadowlands in the Hackensack River basin has been approved by the New Jersey State Senate.

It was the first time in more than a century of debate that meadowlands reclamation legislation had cleared a house of the State Legislature.

The bill, co-sponsored by eight Senators from both major parties, would create a Hackensack Meadowlands Development Commission to oversee development of the marshlands in 14 Bergen and Hudson County communities. The commission would consist of seven members, including Community Affairs Commissioner Paul N. Ylvisaker.

The remaining six positions on the commission would be divided equally among residents of Hudson and Bergen counties. Two members from each county would have to live in the Meadowlands area. Governor Richard J. Hughes would appoint all six with the advice and consent of the State Senate.

In addition to the commission, the bill calls for creation of a Hackensack Meadowlands Municipal Committee, consisting of mayors of the 14 meadowland communities, with the power to veto commission decisions. But committee vetoes can be overridden, according to the legislation, by a vote of five of the seven commissioners.

The original bill, prepared with the help of the Department of Community Affairs, acquired several amendments designed to meet local objections that a meadowlands commission would trespass on the "home rule" of participating communities. Among the amendments are sections that reduced the original meadowlands region from 21,000 to 18,000 acres and eliminated 4 of the proposed 18 meadowlands communities from the region.

The Meadowlands region was reduced to eliminate already developed land that was privately owned.

Under another amendment, the Commission was given the responsibility for providing garbage disposal

facilities for the 102 municipalities in Bergen, Hudson, Essex and other northern counties which now dump refuse in the Hackensack marshes.

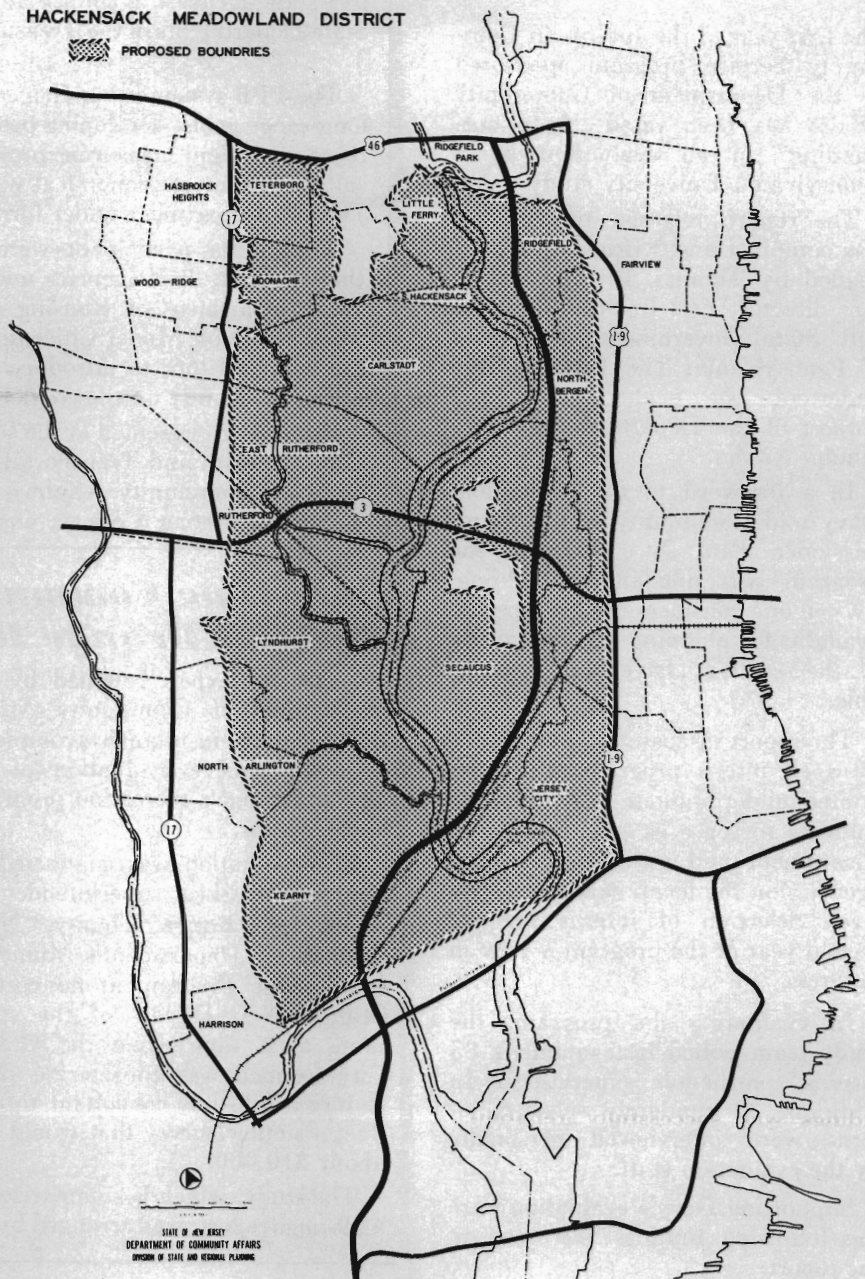
Under the bill, the Commission would be granted a combination of taxing and zoning powers that would transcend the municipal boundaries of communities within the Meadowlands region. The aim would be to reclaim the marshlands for develop-

ment as a complex of housing, industry, recreational facilities, parks, schools, transportation facilities and other modern innovations.

A special tax-sharing formula contained in the bill would guarantee each of the participating communities its property tax income from land already developed, plus a share of the increased wealth generated from new development.

HACKENSACK MEADOWLAND DISTRICT

PROPOSED BOUNDARIES



Fels Study Praises Summer '67 Phase Of Intern Program

The first year of the Interns in Community Service program sponsored by the Department of Community Affairs has been rated "truly outstanding" in an evaluation by a Pennsylvania University study team.

The report, released this month, was compiled and written by a staff headed by Thomas J. Davy, assistant director, Fels Institute of Local and State Government, University of Pennsylvania. The Fels Institute undertook the evaluation at the request of the Department of Community Affairs.

In a foreword to the evaluation, Davy told Community Affairs Commissioner Paul N. Ylvisaker the program was outstanding, adding, "When one considers the brief period available for planning and organizing ... the results ... have been remarkable."

The report discusses last summer's 10-week intern program which recruited undergraduate and graduate students to serve as paid interns in government and government-related agencies on the local, county or state level. Selection of interns for the second year of the program is now in progress.

In evaluating the program, the study team polled last summer's 83 interns' on-the-job supervisors. In addition, 22 randomly selected interns were interviewed personally by the evaluation staff.

Supporting Davy's evaluation were the following findings discussed in the report:

- More than 98 per cent of the interns participating in the evaluation rated the program as "good" or better.
- Seventy-six per cent of the interns had their interest in public service strengthened as a result of the internship experience which, according to Davy, "suggests that the program is likely to achieve its long-range goal of attracting a significant number of highly qualified personnel to local and state government work."
- Almost 75 per cent of those super-

N.J. Officials Attend PPB Seminar

A seminar to introduce the Planning-Programming-Budgeting System to five state agencies, a county and a municipality was co-sponsored by the State Departments of the Treasury and Community Affairs April 23 to May 3.

The PPB system is a management strategy based on determining specific long-range goals, developing programs and an effective fiscal policy to meet these goals, and measuring program performance to insure the wanted results in the most economical way. The system was pioneered by the U.S. Defense Department under former Secretary Robert G. MacNamara.

The seminar participants were those who will be involved in implementing the system in their agencies under an anticipated planning grant from the U.S. Department of Housing and Urban Development. The Governor's Task Force on Model Cities applied to HUD for more than \$300,000 in December, 1966, to introduce the PPB system in the state agencies and test its feasibility on the county and local levels.

Agencies represented at the seminar were the State Departments of Education, Health and Transportation; the Division of Local Finance, Department of Community Affairs; State Budget Bureau, Department of the Treasury; Mercer County; and Woodbridge Township.

Part-time Community Affairs Consultant Reviews Orange Recreational Programs

A recreation expert retained by the Department of Community Affairs as a part-time consultant has completed a comprehensive evaluation of the City of Orange's recreation programs and facilities.

The evaluation was conducted by Graham M. Skea, superintendent of parks for Orange County, N.Y., through the Department's Municipal Interchange Program at no cost to Orange, N.J. Results of the study came at a time when the Orange City Council was considering plans to hire a full-time consultant to conduct a similar survey that would cost about \$10,000.

The study, which is summarized in a 50-page report, was arranged by the

vising the interns on the job rated the students' service as either "highly satisfactory" or "exceptionally good."

► There were four applicants per opening, indicating effective recruiting.

► Seventy-five per cent of the interns felt that their supervision was good or better.

The report praised the Department's policy of assuring members of minority groups an opportunity to participate in the program.

Department's Office of Community Services at the request of Orange Mayor John F. Monica, who was concerned that the city's existing programs and facilities were not meeting the needs of residents. The Department paid \$1,270 to Skea for his time and expenses in Orange as a part-time consultant over the past two months.

Skea is a former resident of New Jersey, who had served for 11 years as superintendent of recreation of East Orange.

The Skea study included 11 recommendations for "strengthening recreation opportunities in Orange..."

Orange is the fifth New Jersey community to participate in the Department's Municipal Interchange Program. The others are Passaic, New Brunswick, Marlboro and Englewood.

ASPO Elects PNY

Community Affairs Commissioner Paul N. Ylvisaker has been elected to the national board of directors of the American Society of Planning Officials.

The election was held at the society's annual planning conference, held in San Francisco May 5-10.

MODEL CITIES *from page 1*

vides for increased job opportunities, improved education, increased low and moderate income housing and improved health and welfare programs.

The ten New Jersey applicants are among 164 communities across the nation that are seeking to share some \$12 million in second round planning grants. HUD is expected to choose about 70 of these as grant recipients.

According to HUD officials, the 70 designees will be announced sometime this summer. They will use the grants to continue developing their Model Cities proposals over a 6-12 month period, focusing on the causes of hard core problems in the "model neighborhoods."

In the first round of competition, HUD selected 75 communities from among 193 applicants to share \$11 million in planning grants. Among the 75 selections were Newark, Trenton and Hoboken.

In the end, all first and second round "Model Cities" will be eligible to share in what HUD officials hope will total \$1.3 billion in additional federal funds to execute their Model Cities proposals. So far, Congress has appropriated \$300 million in Model Cities and Urban Renewal funds for FY 1968 and is now considering a HUD request for an additional \$1 billion for the same purpose for FY 1969.

This "execution money" is expected to be distributed to first round designees by the end of this year at the earliest. Second round selections are not expected to receive these funds until they complete their planning phase.

Community Affairs Commissioner Paul N. Ylvisaker said the high number of New Jersey applicants is "testimony to our State's confidence in and commitment to the concept of the Model Cities program." Ylvisaker said the program "requires the kind of coordinated programming that makes sense in attacking the problems of communities of all sizes and in all areas."

The Commissioner said it was this belief that led to the creation of the Department's State Model Cities program last spring. Since then, the program has awarded \$283,500 in grants to 12 New Jersey communities, including two of the three first-round recipients (Trenton and Hoboken) and all ten second-round applicants.

"The grants have enabled these communities to hire qualified, full-time professional personnel to cope with the difficult and challenging technical aspects of the Model Cities program," Ylvisaker said.

Ylvisaker said the program led to the creation by Governor Hughes of a high-level State Interdepartmental Model Cities Group, consisting of officials from nine state departments. The committee seeks to coordinate all state resources in assisting prospective Model Cities.

The Department also has hired a Model Cities liaison officer to coordinate activities in Essex County, the only county in the country that has model cities programs in three adjacent communities (Newark, East Orange and Orange). The liaison officer is Kellogg G. Birdseye, 52, a specialist in economic development and planning, who is chairman of the Northern Valley Planning Association.

Birdseye, currently a real estate salesman specializing in commercial and industrial properties, will be attached to the Department's Office of Community Services but will work out of the Essex County Hall of Records in Newark.

From 1954-58, Birdseye was director of marketing, Puerto Rico Economic Development Administration. From 1949-54, he served as director of research, Grand Union Co. A former vice-president of an industrial development corporation, he is a member of the legislative committee of the N.J. Federation of Planning Officials and chairman of the planning board and a member of the zoning board of Closter.

The 12 communities that are slated to receive State Model Cities grants so far and their grant totals are: Jersey City, \$45,000; Camden, \$43,000; East Orange, \$40,000; Atlantic City, \$36,000; Perth Amboy, \$34,000; Orange, \$27,000; Paterson, \$20,000; Hoboken, \$18,000; New Brunswick, \$8,000; Cape May, \$6,000; Trenton, \$4,000; and Plainfield, \$2,500. James Shue is director of the State Model Cities program.

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