Government Finance Associates, Inc.

REPORT TO THE
NEW JERSEY PINELANDS COMMISSION

AN ANALYSIS OF
THE FISCAL IMPACT OF THE
PINELANDS COMPREHENSIVE MANAGEMENT PLAN
ON SELECTED MUNICIPALITIES

APPENDICES

September 2, 1982

APPENDICES

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APPENDIX A

MEETINGS WITH TOWNSHIP OFFICIALS

The consultant met with officials of the four Townships during the period July 14th to 22nd 1982. These meetings were arranged in order to provide Township officials with information on the status of the study, to review with them some preliminary findings and to allow an opportunity for them to react to those findings. In addition Township officials used these meetings as a channel for communicating their general concerns to the Commission. A brief report of each community meeting is given below. These reports include a listing of the participants and a synopsis of the major points of discussion.

1. HAMILTON TOWNSHIP

The meeting with officials from Hamilton Township occurred in the evening of July 14th, 1982, in the Town offices in Mays Landing. Aside from the consultant, the informal meeting was attended by the Mayor, Deputy Mayor, Assessor, Chairman of the

Town Planning Board and the Town's Planning Consultant. Comments are summarized below.

It was suggested that the growth rate of the Township will be accelerated as a result of Pinelands-channeled development into Hamilton's growth corridor. The costs of managing this growth are considered to be a problem since most of it is likely to be residential and development will come before the capacity to service it. There needs to be some mechanism to attract industrial development to the regional growth centers and also a program of financial assistance for implementing the Master Plan. These areas would be appropriate for State consideration.

Local expenditures have increased rapidly in recent years resulting in large tax increases as available surpluses were depleted. The debt burden of the Township is increasing rapidly to finance the Township's capital program (largely road projects). It is simpler to use borrowing since debt service is not subject to the Cap Law.

Some recent large assessment appeals, while granted on a basis other than Pinelands, would not have been appealed in the first place in the absence of Pinelands. The large proportion (58%) of Township acreage designated as Forest Area, with consequent development restrictions, will impact the Township's fiscal base. A concern was expressed that owners of vacant lots with development restrictions may opt not to pay property taxes.

General support for the goals of the Pinelands Plan was expressed; however some refinements are still needed in certain areas such as in restructuring the system of development credits on a subregional basis and in continuing planning assistance. Exhibit A-1 provides comments prepared by the Township's planning consultant following the meeting.

2. LACEY TOWNSHIP

The consultant met twice with Lacey Township officials; first in an informal meeting with the Town Administrator on the afternoon of July 22nd and later with the full Committee on the evening of the same day. Both meetings were held in the Town offices in Forked River. The Committee meeting was attended by the Mayor, the four Committeemen, the Town Attorney, the Town Administrator, the Clerk and eleven citizens.

The major concern expressed by Township officials concerned the effective stifling of growth as a result of the Pinelands Plan. Rapid growth during the past decade has come to an abrupt end. Some public facilities, which were built based on pre-Pinelands population projections, are oversized and therefore more expensive to operate than necessary. Retail areas which were developed in anticipation of a growing community are now struggling. The Plan has cost the Town the opportunity to grow to an optimum size.

Officials suggested that the boundaries for the different Pinelands area designations should be reviewed in person by Commission staff since some lines are, in their view, inappropriately placed. Some adjustments could be made that would permit the Township a limited amount of orderly development in an environmentally acceptable manner. Development could be permitted after an EIS, using criteria established by the Commission, showed it to be appropriate. This would, to some extent, offset the negative fiscal impact of the plan on the Township.

In addition to the loss of value of vacant land due to Pinelands restrictions, the Township has experienced some increased expenditures as a result of the Plan. Planning costs have grown, increased legal fees have resulted from assessment appeals, and costs of complying with environmental regulations have increased.

3. WASHINGTON TOWNSHIP

The meeting with representatives of Washington Township took place on the afternoon of July 14th 1982 in the Township Hall in Greenbank. Aside from the consultant, the meeting was attended by the Mayor, a Committeewoman, the Township Clerk, Consulting Engineer and twelve citizens. Comments focused on the following areas.

It is the Township perception that the State does not contribute its fair share of funds to compensate for the large amount of acreage acquired in the pre-Pineland years. The State owns almost 50,000 acres (73% of the Township) yet makes an annual contribution of only $4,600, and this amount remains unchanged even in the face of inflation. A rough estimate of the tax revenue lost, compared to private ownership, was given. This came to $440,000 (based on a value of $400 per acre). This inequity overshadows the effects of post-Pinelands acquisitions, although those are still a concern.

In addition, since the Township has no local purpose tax levy, it receives no funds from the State for services required by the State-operated jail and other State facilities.

Since the State contribution on most land is 10c an acre for municipal purposes only, and since the residential share of the ratable value will increase proportionately as vacant land values drop due to development restrictions and further acquisitions, the burden of costs (particularly for education) will shift significantly to homeowners.

An estimate of the services provided by the Township to State properties was given as follows. Many rescue squad calls are made to State campsites (perhaps up to half the total calls); the rescue squad costs the Township about $6000 annually. There are many fire calls to State land, especially in the spring; the town contributes about $3000 to its two volunteer fire companies. There is also a State-owned game warden's residence whose occupants are eligible to participate in the Township schools.

The State is generating income from campgrounds and other services on its land. It would be appropriate to share part of that revenue with the Township, particularly since some of the State concessions compete with private concerns whose business may be suffering as a result.

The Township is conservation minded and supportive of the goals of the Pinelands Plan. Even before the Plan the community chose to limit development. However, the Pinelands restrictions have completely stifled what little growth was occurring in the Township prior to the Plan. As a result there is no prospect of even that small amount of growth in the tax base. The bankruptcy of a major Township employer (a boat-builder) will exacerbate fiscal problems unless some other productive use can be made of that business site.

Using the results of assessment appeals as a measure of the loss of value of vacant land due to development restrictions may not capture the full reduction in value. Most landowners in the Township are accustomed to accepting their assessment at face value and would not appeal. Consequently there have been few Pinelands related appeals.

When the system of development credits gets underway this may result in further shrinking of land values since credits will all flow outside the Township.

A prepared statement, appended as ExhibitA-2 was presented by one of the citizens.

4. WOODLAND TOWNSHIP

Woodland Township officials met with the consulant in an informal meeting in the Town Hall in Chatsworth on the morning of July 15th, 1982. The Mayor, a Committeeman, the Assessor, the Town Solicitor and the Treasurer were present at the meeting. Township officials had several serious concerns about the impact of the Pinelands Plan on their fiscal situation. These concerns are summarized below.

As a result of assessment appeals based on Pinelands the Township has had to make several large tax refunds ($69,000 in 1981 and $75,000 so far in 1982 and at least $37,000 due in 1983). As well as raising revenue to pay for the refunds, because the collection rate drops as a result of refunds, additional revenue is needed the ensuing year to provide an increased reserve for uncollected taxes. Once the current reassessment is complete, thereby reducing the value of vacant land, further appeals are anticipated that will erode the tax base even more.

As a result of the significant loss of value of vacant land and the large acreage scheduled for acquisition, the burden of taxes will increasingly shift to homeowners. This shift was illustrated by an example of a home assessed at $40,000 (expected to be ressessed this year at a market price of about $70,000). Tax bills had been as follows since 1979: (Tax rates are in parentheses)

1979	$ 984	($2.46)
1980	1068	(2.67)
1981	1132	(2.83)
1982	1458	(3.65)

It was estimated that the tax bill for this property would be as follows for 1983:

1983	2275	(3.25)

Officials expressed the view that, prior to the Pinelands Plan, limited growth had been taking place in an ecologically and environmentally sound manner. However, as a result of the Plan, growth has been essentially throttled and it is anticipated that even the value of improved property will drop since demand will fall in the face of high taxes. Redesignation of some acreage as Forest Area could help to maintain the ratable value while permitting some very limited development.

A portion of the Township (approximately 1000 acres) was subdivided into small (25') lots decades ago. There are liens on many of these parcels because of non-payment of taxes, and for others the owners cannot be located. Foreclosure now costs more than the lots are worth. This situation will prohibit the combining of these old lots into developable parcels which is unfortunate since they are are in that part of the Township where some growth is permitted.

The percentage of taxes collected may drop in the future since the Collector, whom officials credited with improving the collection rate from 61% in 1974 to about 80% at present, is leaving. In addition, once the development credit system is in operation and landowners sell their credits, it is feared that tax delinquency will rise as landowners perceive that, over time, taxes will cost them more than their land is worth.

In the past, officials indicated that the Township had not received contributions from the State for services provided by the Township to the State School.[1/] In addition, officials reported that there are other, Pinelands-related costs to the Township; reimbursements for Pinelands planning costs had not been received; the Township must also expend a considerable amounts of funds on improvements to the dump necessitated by Pinelands-related environmental regulations. To reach a balance between anticipated increased expenditures (including tax refunds) and expected loss of ratables, municipal services would be cut. The police service will shortly be eliminated.

1/ However, according to the N.J. Department of Taxation, the Township receives $2,449 for services to the State School.

EXHIBIT A-1

TO: Ray Townsend
Arthur Bird
Joseph Perella

DRAFT

FROM: Peter P. Karabashian

RE: Fiscal Impact of the Pinelands Compliance Plan on the Township of Hamilton (Reference PPK-345-82)

DATE: July 20, 1982

Summary of the conversation held with Pat Watt, Research Principal, Government Finance Research Center, in which Ms. Watt was evaluating the fiscal impact of the Pinelands Compliance Plan on the Township of Hamilton:

Essentially, four areas will be covered:

1. The evaluation itself and the context of that evaluation.

2. Recommendations for revisions of the Pinelands Development Credits program.

3. Recommendations for a growth monitoring budget to enable the municipality to underwrite the soft costs generated by staff requirements, space requirements, capital budget requirements, etc., which invariably precede development.

4. Develop a system to monitor the fiscal impact upon the Township over the next five years in which the Township will be specifically involved.

A. <u>Evaluation of Fiscal Impact</u>

The evaluation of fiscal impact upon the Pinelands conducted by Pat Watt essentially strove to quantify the fiscal impact upon the Township at this point in time. However, general comments of the committee above reflected that it was too early to be able to quantify these impacts at this point. Essentially, it was perceived that the very tip of the iceberg was beginning to show, but it's not in a fashion that would generate any trend projection. However, it was the overall consensus of the persons attending the meeting that fiscal impact would be generated for a host of reasons, some of which include:

1. Tax appeals based upon the inability to use land as originally perceived or zoned in the forest or rural development areas or in ecologically sensitive areas.

2. The inability to define that Pinelands Development Credits programs may further complicate the ability to understand the full ramifications of tax assessments, particularly upon the 4,000 acres of agricultural land which the Township has included in its plan as a new zoning category.

3. Tax assessments may be requested to be lowered on environmentally sensitive lands, particularly at this point so that the Township will not be offering any density credits (i.e. yeild potential) on such land. Heretofore such lands which were not developable could transfer density potential to developable land as long as such land was contiguous to a developable parcel. The forthcoming ordinance will preclude that alternative or, if challenged legally, may minimize the alternative to a low percentage. Certainly, this percentage will not be one hundred percent as it was heretofore.

4. The group also felt that some sort of a comparative mechanism can or perhaps should be developed in a preliminary fashion based upon historical trend concepts. For example, selecting a community with populations comparable to what we may anticipate having within the timeframe of the Pinelands plan and, thus, evaluating their present posture with respect to municipal demands. Although this is a difficult mechanism to emulate, it warrants further evaluation.

5. The group felt rather strongly that the anticipated capital improvements that would be generated by the massive development that looms ahead could not be handled through the normal tax appropriation budget procedure that the Township has. It was unanimously felt that we would be faced with substantial upfront costs in developing facilities to meet the needs in areas of school protection, police protection, fire protection, and generally service related elements that must be provided in the community within the timeframe prescribed. It was a concern that we would outstrip the financial resources available to the community through normal financing mechanisms prior to being able to meet the demand. Therefore, the community was taking a hard look at the fiscal impact on the project by project basis, but realized that assistance would be required through a financial plan generated by Pinelands.

B. Revision of the Pinelands Development Credits

The Pinelands Development Credits program was envisioned as innovative by the group, however, one that required substantial revision in order to compensate for Pinelands credits developed within the growth areas, versus the acquisition of those credits outside of the growth areas. For example, in Hamilton Township it is anticipated that the Township will generate approximately 1,515 Pinelands credits that can be exported "as a commodity." Conversely, the amount of credits that could be purchased in the Township is estimated to be less than 100. The inequity provided does not compensate for the growth and population that Hamilton Township is accommodating from a regional perspective. The Township's growth area will eventually accommodate somewhere in the vicinity of 12,000 to 18,000 dwelling units and, perhaps, even more. This can generate populations of approximately 40,000 persons. By encapsulating this population within a 5,225 acre developable growth area, the Township is effectively "taking the pressure off environmentally sensitive areas," not only in Hamilton Township and Atlantic County, but in the general Pinelands corridor. Essentially, the growth area communities are unique in the Pinelands plans since they are in a manner of speaking, subsidizing the lack of growth in the preservation of the environment in the nongrowth area communities. Therefore, the PDC system should be modified to provide a bonus system for those PDC's which are purchased within the community that they are generated in. For example, in Hamilton Township the PDC system should be structured so that Pinelands would enable a developer to increase the number of units for PDC's purchased in Hamilton Township. Therefore, if one normal Pinelands PDC was worth four dwelling units, perhaps a PDC purchased in Hamilton Township and used in Hamilton Township should be worth twelve dwelling units. The numbers are hypothetical and need to be worked out, however, the concept is that a structured or graduated PDC system should be utilized to benefit the Townships to generate PDC's. Given the growth and development trends which faced Atlantic County, it is difficult to perceive that communities not in growth areas will readily develop. Therefore, the absence of development pressure upon those communities will mean that there will be less pressure upon their environmental resources.

The concept of revising the PDC's can also be carried out in other areas. For example, Hamilton Township has an industrial park. From a fiscal perspective, this industrial park needs to be energized. The financial support needed to energize this industrial park can be generated in a series of unique ways if endorsed by the Pinelands Commission and subsequently by the State of New Jersey. The industrial park in Hamilton Township, along with other industrial parksin growth areas, should be designated as priority industrial parks. Therefore, any industrial development that is realized in the Pinelands should be channeled by the Pinelands to this "approved" industrial parks. Coupled with such regulations, the State of New Jersey could perhaps initiate a tax credit or bonding susbidy program as an incentive for industry locating in the Pinelands. Of course, this would be clean industry and environmentally acceptable. But the thought of a system

DRAFT

NOT PROOFED

of combined state tax credits developed specifically to entice industry to live in a clean environmental segment of the State with the benefits nearby housing in growth area corridors embraces a rational planning philosophy. Essentially, this is the way it should be done. Industry close to housing and housing close to industry, yet all coordinated under the auspices of sound environmental and zoning controls. These factors, backed up by an investment credit plan generated or endorsed by the State of New Jersey, would be a unique instrument for promoting proper growth and development of the Pinelands. The investment credit plan could parallel any number of mechanisms currently used by the State and Federal governments elsewhere. For example, the credits given in the form of depreciation to developers in the Pinelands, could be conceivably worked out and then coupled with EDA bonding through the State of New Jersey. Banks locating in growth corridors could be requested to make "community contributions." I believe this is required under the State of New Jersey banking law. Further research must be conducted to analyze the various levels of opportunities available through State and Federal programs for industrial financing in order to tailor and refine these controls for use in the Pinelands area. These elements, combined with the Pinelands regulatory power, provide an interesting opportunity for creating some unique financial packages that can support the objectives of the Pinelands plan.

The same tax incentive investment credit concept applies to commercial development within the growth corridor.

C. <u>Develop a system of monitoring fiscal impact</u>

A very important element as of this study would be to evaluate a system to monitor fiscal impact in Hamilton Township over the next five-to ten-year period. The system should be worked out in conjunction with Pinelands and the community and orchestrated so that initial information is gathered on a team basis and analyzed in order to determine the fiscal progress of the community or potential fiscal impacts as they evolve. The study currently being conducted for the Pinelands Commission through the Government Finance Research Center should advocate that a system of this nature be developed and perhaps designate some of the growth area communities comparable to Hamilton Township as demonstration communities in which to try out some of the proposals contained in this memorandum.

Please excuse the lack of editing but given the timeframe that we had to produce this document, its primary function is to encapsulate the thoughts rather than to distinctly articulate them. Please feel free to make any comments that you may wish or use this document in any manner that will benefit the overall understanding of the Pinelands fiscal impact.

We are fourth-generation property owners in Washington Township (Burlington County).

Property taxes doubled when the Wharton Tract was acquired by the state in 1954. Since 1910 the township has received 10 cents per acre from the state in-lieu-of property tax. In 1980 this amounted to about $4,600.00

We own a 5-acre maple woodlot adjoining the state forest. In 1976 the 5-acre lot was assessed $2,600. After several appeals the land was revalued in 1980 to $1,000. ($200. an acre.) In 1982 we will pay $44.89 in property tax to the township for this parcel. Adjoining this lot is part of the Green Bank State Forest on which the state will pay 50¢ for 5 acres. This is swampy, vacant land and we are paying 90 times as much as the state pays.

State Fish and Game owns the 1,078-acre Swan Bay Management Area in Washington Township from which the township receives NO reimbursement in-lieu-of taxes. Last year Fish and Game regravelled the only road to this area and in the process damaged one of the few black-top roads (Turtle Creek Road) the township maintains for the local residents. At the July 1981 township committee meeting, about $2,400. was approved from the township budget to try to correct the damage done by the state trucks' activity. That year the tax rate was 18% above the preceding year.

It is no wonder that the few township taxpayers (500+) consider that we have in effect been subsidizing recreation and other public uses of state lands in Washington Township. There is no municipality in New Jersey that compares to the unfortunate and unique status of Washington Township..... 68,672 acres (about 107 square miles) and already over 75% state-owned and still increasing.

What is the answer?

The best alternative is to assess the State-owned forest facilities and land the same as private property. For example, Galloway Township in 1981 received $37,000. in-lieu-of-taxes for property on which Stockton State College is located. The assessed value of Stockton is $33,580,100.

The other alternative is to petition the Legislature to review and update Revised Statute 13:1-22 which grants, in-lieu-of taxes, appropriation of 10 cents an acre to municipalities with state-owned lands within their boundaries. The original bill was enacted in the early 1900's to assist municipalities whose land had been acquired for conservation and development of parks and forests, and provided 10 cents an acre remuneration. Under present-day economic conditions this relief is totally inadequate.

Washington Township is especially affected; being the least densely populated in the state, with over three-quarters of its land area state-owned.

We request that, in addition to the 10 cents an acre remuneration, 25 percent of the gross receipts of a state facility within a municipality also be returned to the municipality. Presently, all such receipts go directly into the General Treasury.

The U.S. Forest Service reimburses local governments 25 percent of its gross receipts to be used for schools and roads. Example: Galloway Township receives $20,000. for Brigantine National Wildlife Refuge yearly. This additional reimbursement, in most cases, would reimburse more fairly and would have to be applied to public schools and road maintenance in the affected municipality.....it would also partially reimburse municipalities for the education of any children in residence in tax-exempt state-owned dwellings, as well as repair roads deteriorated by the increased traffic generated by the state facility.....and would come from fees collected from the users of the state facility involved.

What do taxpayers in Washington Township get for their tax dollars?

Horace Somes
261 Wading River
R2 Egg Harbor, N.J. 08215

WADING RIVER TREE FARM

APPENDIX B

Detailed Trend Tables for Four Townships and for the State

Table

Table B-1 A
Hamilton Township
Actual and Equalized Property Tax Rates, 1972-1982

	Actual Tax Rate per $100 assessed value	Equalized Tax Rate per $100 true value
1982	$3.30	$2.06
1981	2.98	1.87
1980[1]	2.02	1.35
1979	3.66	1.88
1978	3.67	2.38
1977	4.31	2.92
1976	5.12	3.23
1975[2]	4.11	2.88
1974	3.91	2.65
1973	4.82	2.79
1972	4.57	2.54
Average Annual Percent Change		
1981-82	+10.7	+10.2
1980-81	+47.5	+38.4
1978-79	-0.3	-21.0
1975-78	-3.7	-6.2
1972-74	-7.5	+2.1

[1] Revaluation
[2] Reassessment

Source: New Jersey Department of Community Affairs, *Annual Report of the Division of Local Government Services*

Table B-1B
Lacey Township
Actual and Equalized Tax Rates, 1972-1982

	Actual Tax Rate per $100 assessed value	Equalized Tax Rate per $100 true value
1982	$ 1.96	$ 1.95
1981[1]	2.08	2.07
1980[2]	1.57	1.01
1979	1.53	1.07
1978	1.51	1.10
1977	1.47	1.14
1976	1.76	1.43
1975	1.78	1.52
1974[1]	1.20	1.09
1973	2.03	1.26
1972	2.03	1.43

Average Annual Percent Change

1981-82	-5.8	-5.8
1980-81	+32.5	+105.0
1978-80	+2.0	-4.2
1974-78	+5.9	+0.2
1972-73	0.0	-11.9

[1]Revaluation

[2]Reassessment

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services

Table B-1C
Washington Township
Actual and Equalized Property Tax Rates, 1972-1982

	Actual Tax Rate per $100 assessed value	Equalized Tax Rate per $100 true value
1982	$4.49	$2.20
1981	4.25	2.09
1980	3.59	1.86
1979	3.35	1.73
1978	3.17	1.91
1977	3.06	2.15
1976[2]	3.98	2.72
1975	3.91	2.24
1974[1]	3.20	1.73
1973	4.33	1.79
1972	4.39	2.68

Average Annual Percent Change

1981-82	+ 5.6	+5.3
1980-81	+18.4	+12.4
1978-80	+6.4	-1.3
1976-78	-10.8	-16.2

[1]Revaluation
[2]Reassessment

Source: New Jersey Department of the Community Affairs, Annual Report of the Division of Local Government Services.

Table B-1D
Woodland Township
Actual and Equalized Property Tax Rates, 1972-1982

	Actual Tax Rate per $100 assessed value	Equalized Tax Rate per $100 true value
1982	$3.65	$2.26
1981	2.83	1.75
1980	2.67	1.85
1979	2.46	1.55
1978	2.08	1.28
1977	2.04	1.64
1976	2.25	1.90
1975[1]	1.70	1.53
1974	3.72	2.63
1973	3.35	2.82
1972	3.68	3.13

Average Annual Percent Change

1981-82	+29.0	+29.1
1980-81	+6.0	-0.3
1978-80	+13.3	+20.2
1975-78	+7.0	-5.8
1972-74	+0.5	-8.3

[1] Revaluation

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services.

Table B-2A
State of New Jersey
Average Residential Property Tax Bill, 1972-1981

	Number of Residences	Average Tax Per Residence
1981	1,772,171	$1,492
1980	1,749,454	1,364
1979	1,723,324	1,265
1978	1,700,185	1,214
1977	1,681,049	1,191
1976	1,663,392	1,228
1975	1,644,607	1,118
1974	1,620,719	1,047
1973	1,590,497	1,003
1972	1,563,721	966

Average Annual Percent Change

1980-81	+1.3	+9.4
1978-80	+1.4	+6.0
1972-78	+1.4	+3.9

Sources: New Jersey Department of the Treasury, Division of Taxation, "Average Real Estate Tax Bill in New Jersey By Taxing District - By Property Class," 1975-81; New Jersey Department of Community Affairs. Annual Report of the Division of Local Government Services, 1972-1974.

Table B-2B
Hamilton Township
Average Residential Property Tax Bill, 1972-1981

	Number of Residences	Average Tax
		dollars per residence
1981	3,308	916
1980	2,925	594
1979	2,816	521
1978	2,750	512
1977	2,660	587
1976	2,631	680
1975	2,560	520
1974	2,453	477
1973	2,393	467
1972	2,380	436
	Average Annual Percent Change	
1980-81	+13.1	+54.2
1978-80	+3.1	+7.7
1972-78	+2.4	+2.7

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Real Estate Tax Bill in New Jersey By Taxing District - By Property Class"

Table B-2C
Lacey Township
Average Residential Property Tax Bill, 1972-1981

	Number of Residences	Average Tax
		dollars per residence
1981	6,930	928
1980	6,521	432
1979	6,345	414
1978	6,166	401
1977	6,048	387
1976	5,917	458
1975	5,773	456
1974	5,619	300
1973	5,381	308
1972	4,409	264
	Average Annual Percent Change	
1980-81	+6.3	+114.8
1978-80	+2.8	+3.8
1972-78	+5.8	+7.2

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Real Estate Tax Bill in New Jersey By Taxing District - By Property Class"

Table B-2D
Washington Township
Average Residential Property Tax Bill, 1972-1981

	Number of Residences	Average Tax
		dollars per household
1981	303	875
1980	303	726
1979	296	663
1978	291	617
1977	290	564
1976	287	730
1975	292	589
1974	291	504
1973	286	403
1972	277	407
	Average Annual Percent Change	
1980-81	0	+20.5
1978-80	+2.0	+8.5
1972-78	+0.8	+7.2

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Real Estate Tax Bill in New Jersey By Taxing District - By Property Class"

Table B-2E
Woodland Township
Average Residential Property Tax Bill, 1972-1981

	Number of Residences	Average Tax
		dollars per residence
1981	343	$668
1980	338	631
1979	328	572
1978	308	456
1977	287	406
1976	272	433
1975	269	326
1974	270	312
1973	266	297
1972	259	317
Average Annual Percent Change		
1980-81	+1.5	+5.9
1978-80	+4.8	+17.6
1972-78	+2.9	+6.3

Sources: New Jersey Department of the Treasury, Division of Taxation, "Average Real Estate Tax Bill on New Jersey By Taxing District - By Property Class"; New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1974.

Table B-3A
State of New Jersey
Assessed Value of Real Property, 1972-1982

	Total Assessed Value of Real Property	Assessed Value of Vacant Land	Percent of Total Assessed Value Accounted For By Vacant Land
	-million dollars-		percent
1981	109,223	NA	NA
1980	101,728	4,239	4.17
1979	95,260	4,088	4.29
1978	88,096	3,857	4.38
1977	81,948	3,680	4.49
1976	78,444	3,577	4.56
1975	71,604	3,298	4.61
1974	65,569	2,997	4.57
1973	58,727	2,736	4.66
1972	50,428	2,262	4.49
	Average Annual Percent Change		
1980-81	+7.4	--	
1978-80	+7.5	+4.8	
1972-78	+9.7	+9.3	

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980.

Table B-3B
Hamilton Township
Assessed Value of Real Property, 1972-1982

	Total Assessed Value of Real Property	Assessed Value of Vacant Land	Vacant Land as Percent of Total Assessed Value
	-thousand dollars-		percent
1982	210,993	51,980	24.63
1981	202,502	53,798	26.57
1980[1]	188,439	51,460	27.31
1979	91,086	19,708	21.64
1978	89,870	20,419	22.72
1977	87,173	20,533	23.55
1976	89,445	21,867	24.45
1975[2]	89,746	26,869	29.94
1974	74,138	18,034	24.32
1973	54,678	9,170	16.77
1972	53,547	8,931	16.68
	Average Annual Percent Change		
1981-82	+4.2	-3.4	
1980-81	+7.5	+4.5	
1978-79	+1.4	-3.5	
1975-78	+0.1	-8.7	
1972-74	+17.7	+42.1	

[1]Revaluation

[2]Reassessment

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; SR-3A Forms, 1981 and 1982.

Table B-3C
Lacey Township
Assessed Value of Real Property, 1972-1982

	Total Assessed Value of Real Property	Assessed Value of Vacant Land	Vacant Land as Percent of Total Assessed Value
	-thousand dollars-		percent
1982	440,994	68,561	15.55
1981[1]	445,085	69,931	15.71
1980[2]	257,864	51,721	20.06
1979	249,671	52,277	20.94
1978	245,210	55,687	22.71
1977	243,479	57,982	23.81
1976	237,802	58,161	24.46
1975	226,975	58,083	25.59
1974[1]	215,533	58,561	27.17
1973	109,697	22,823	20.81
1972	80,476	18,348	22.80

Average Annual Percent Change

1981-82	-0.9	-2.0
1980-81	+72.6	+35.2
1978-80	+2.6	-3.6
1974-78	+3.3	-1.3
1972-73	+36.3	+24.4

[1]Revaluation

[2]Reassessment

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; SR-3A Forms, 1981 and 1982.

Table B-3D
Washington Township
Assessed Value of Real Property, 1972-1982

	Total Assessed Value of Real Property	Assessed Value of Vacant Land	Vacant Land as Percent of Total Assessed Value
	-thousand dollars-		percent
1982	10,931	1,365	12.48
1981	10,997	1,407	12.80
1980	12,254	1,433	11.69
1979	11,979	1,477	12.33
1978	11,753	1,438	12.24
1977	11,660	1,413	12.12
1976[2]	11,658	1,490	12.78
1975	9,748	786	8.06
1974[1]	10,043	880	8.76
1973	6,501	300	4.61
1972	6,311	226	3.58

Average Annual Percent Change

1981-82	-0.6	-3.0	
1980-81	-10.3	-1.8	
1978-80	+2.1	-0.2	
1976-78	+0.4	-1.8	

[1]Revaluation

[2]Reassessment

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; SR-3A Forms. 1981 and 1982.

Table B-3E
Woodland Township
Assessed Value of Real Property, 1972-1982

	Total Assessed Value of Real Property	Assessed Value of Vacant Land	Percent of Total Assessed Value Accounted for by Vacant Land
	-thousand dollars-		percent
1982	$23,216	$10,826	46.63
1981	26,120	14,189	54.32
1980	28,734	17,476	60.82
1979	27,866	16,769	60.18
1978	27,661	17,481	63.20
1977	26,726	17,476	65.39
1976	27,087	18,372	67.83
1975[1]	26,338	17,259	65.53
1974	13,169	8,595	65.27
1973	13,598	9,724	71.51
1972	13,044	9,478	72.66

Average Annual Percent Change

1981-82	-11.1	-23.7
1980-81	-9.1	-18.8
1978-80	+1.9	0.0
1975-78	+1.7	+0.4
1972-74	+0.5	-4.8

[1] Revaluation

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; and Real Property Classifications (Form SR-3A) for Woodland Township, 1981 and 1982.

Table B-4A

State of New Jersey
True Value of Real Property, 1972-1981

	Aggregate True Value of Real Property	True Value of Vacant Land	Percent of Aggregate True Value Accounted For by Vacant Land
	-million dollars-		percent
1981	165,809	NA	NA
1980	147,517	7,388	5.01
1979	128,998	6,326	4.90
1978	114,711	5,640	4.92
1977	106,442	5,249	4.93
1976	102,154	5,261	5.15
1975	94,594	5,308	5.61
1974	86,517	5,046	5.83
1973	76,394	4,753	6.22
1972	67,750	3,769	5.56
	Average Annual Percent Change		
1980-81	+12.4	--	
1978-80	+13.4	+14.5	
1972-78	+9.2	+7.0	

Source: New Jersey Department of the Treasury Division of Taxation, Table of Equalized Valuations, 1972-1981

Table B-4B
Hamilton Township
True Value of Real Property, 1972-1982

	Aggregate True Value of Real Property	True Value of Vacant Land	Vacant Land as Percent of Aggregate True Value
	-thousand dollars-		percent
1982	336,996	NA	--
1981	323,434	86,617	26.78
1980	282,052	82,009	29.08
1979	177,798	56,283	31.66
1978	138,517	30,266	21.85
1977	128,252	29,521	23.02
1976	141,639	36,989	26.11
1975	127,862	43,739	34.21
1974	109,349	32,889	30.08
1973	94,304	22,075	23.41
1972	96,186	17,169	17.85

Average Annual Percent Change

1981-82	+4.2	--
1980-81	+14.7	+5.6
1978-80	+42.7	+64.6
1972-78	+6.3	+9.9

NA = Not Available
Source: New Jersey Department of the Treasury Division of Taxation, Tables of Equalized Valuations, 1972-1982.

Table B-4C
Lacey Township
True Value of Real Property, 1972-1982

	Aggregate True Value of Real Property	True Value of Vacant Land	Vacant Land as Percent of Aggregate True Value
	-thousand dollars-		percent
1982	443,388	NA	--
1981	447,502	71,104	15.89
1980	401,657	114,553	28.52
1979	358,413	87,069	24.29
1978	335,996	104,245	31.03
1977	312,112	97,586	31.27
1976	293,365	100,233	34.17
1975	265,437	82,168	30.96
1974	237,685	92,914	39.09
1973	175,993	65,385	37.15
1972	114,053	36,754	32.23
	Average Annual Percent Change		
1981-82	-0.9	--	
1980-81	+11.4	-37.9	
1978-80	+9.3	+4.8	
1972-78	+19.7	+19.0	

NA = Not Available

Source: New Jersey Department of the Treasury, Division of Taxation, Table of Equalized Valuations, 1972-1982.

Table B-4D
Washington Township
True Value of Real Property, 1972-1982

	Aggregate True Value of Real Property	True Value of Vacant Land	Vacant Land as percent of Aggregate True Value
	-thousand dollars-		percent
1982	22,249	NA	--
1981	22,383	NS	--
1980	23,643	3,343	14.14
1979	23,255	2,649	11.39
1978	19,488	1,863	9.56
1977	16,587	2,355	14.20
1976	17,039	2,151	12.62
1975	17,035	1,121	6.58
1974	18,591	1,561	8.39
1973	15,696	1,572	10.01
1972	10,335	277	2.68

Average Annual Percent Change

1981-82	-0.6	--
1980-81	-5.3	--
1978-80	+10.2	+34.0
1972-78	+11.2	+37.4

NA = Not Available
NS = No Sales

Source: New Jersey Department of the Treasury, Division of Taxation, Table of Equalized Valuations, 1972-1982.

Table B-4E
Woodland Township
True Value of Real Property, 1972-1982

	Aggregate True Value of Real Property	True Value of Vacant Land	Percent of Aggregate True Value Accounted For By Vacant Land
	-thousand dollars-		percent
1982	37,475	N.A.	----
1981	42,162	19,647	46.60
1980	41,362	19,816	47.91
1979	44,231	26,514	59.94
1978	44,905	41,575	92.58
1977	33,109	23,419	70.73
1976	31,999	24,124	75.39
1975	29,327	29,005	98.90
1974	18,653	12,028	64.49
1973	16,126	8,411	52.16
1972	15,341	11,886	77.48

Average Annual Percent Change

1981-82	-11.1	--
1980-81	+1.9	-0.9
1978-80	-4.0	-31.0
1972-78	+19.6	+23.2

N.A. = Not Available

Source: New Jersey Department of Treasury, Division of Taxation, Table of Equalized Valuations, 1972-1982

Table B-5A
State of New Jersey
Equalization Ratios, 1972-1981

	Aggregate Ratio for Real Property	Ratio for Vacant Land
1981	65.9	54.4
1980	69.0	57.4
1979	73.9	64.6
1978	76.8	68.4
1977	77.0	70.1
1976	76.8	68.0
1975	75.7	62.1
1974	75.8	59.4
1973	76.9	57.6
1972	74.4	60.6

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Assessment/Sales Ratio in New Jersey by Taxing District - by Property Class," 1973-82.

Table B-5B
Hamilton Township
Equalization Ratios, 1972-1981

	Aggregate Ratio for Real Property	Ratio for Vacant Land
1981	62.6	62.1
1980[1]	66.8	62.7
1979	51.2	35.0
1978	64.9	67.5
1977	68.0	69.6
1976	63.2	59.1
1975[2]	70.2	61.4
1974	67.8	54.8
1973	58.0	41.5
1972	55.7	52.0

[1]Revaluation
[2]Reassessment

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Assessment/Sales Ratio in New Jersey by Taxing District - by Property Class," 1973-82.

Table B-5C
Lacey Township
Equalization Ratios, 1972-1981

	Aggregate Ratio For Real Property	Ratio for Vacant Land
1981[1]	99.5	98.4
1980[2]	64.2	45.2
1979	69.7	60.0
1978	73.0	53.4
1977	78.0	59.4
1976	81.1	58.0
1975	85.5	70.7
1974[1]	90.7	63.0
1973	62.3	34.9
1972	70.6	49.9

[1] Revaluation

[2] Reassessment

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Assessment/Sales Ratio in New Jersey by Taxing District - by Property Class." 1973-82

Table B-5D
Washington Township
Equalization Ratios, 1972-1981

	Aggregate Ratio for Real Property	Ratio for Vacant Land
1981	49.1	NS
1980	51.8	42.9
1979	51.5	55.8
1978	60.3	77.2
1977	70.3	60.0
1976[2]	68.4	69.3
1975	57.2	70.1
1974[1]	54.0	56.4
1973	41.4	19.1
1972	61.1	81.7

NS = No Sales

[1] Revaluation

[2] Reassessment

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Assessment/Sales Ratio in New Jersey by Taxing District - by Property Class," 1973-82.

Table B-5E
Woodland Township
Equalization Ratios, 1972-1981

	Aggregate Ratio For Real Property	Ratio For Vacant Land
1981	62.0	72.2
1980	69.5	88.2
1979	63.0	63.2
1978	61.6	42.0
1977	80.7	74.6
1976	84.7	76.2
1975[1]	89.8	59.5
1974	70.6	71.5
1973	84.3	115.6
1972	85.0	79.7

[1] Revaluation

Source: New Jersey Department of the Treasury, Division of Taxation, "Average Assessment/Sales Ratio in New Jersey by Taxing District - by Property Class," 1973-82.

Table B-6A
Hamilton Township
Property Taxes Levied, 1972-1982

	Total Tax Levy[1]	Local Purpose Taxes	School District Taxes	County Taxes	Percent of Total Tax Levy Collected
1982	$7,071,717	$ 859,763	$4,575,893	$1,636,061	--
1981	6,140,107	622,916	3,795,821	1,721,370	92
1980	3,890,825	192,920	2,495,822	1,202,083	89
1979	3,430,653	263,207	2,029,225	1,138,220	93
1978	3,391,104	295,000	1,897,975	1,198,130	91
1977	3,852,278	590,000	2,013,669	1,248,609	88
1976	4,627,045	1,290,127	2,191,836	1,145,082	84
1975	3,701,281	615,734	1,872,868	1,212,679	77
1974	2,904,495	446,071	1,600,928	857,496	87
1973	2,632,774	322,318	1,652,432	658,024	90
1972	2,464,669	310,237	1,587,865	566,567	90

Average Annual Percent Change

	Total Tax Levy	Local Purpose Taxes	School District Taxes	County Taxes
1981-82	+15.2	+38.0	+20.6	-5.0
1980-81	+57.8	+222.9	+52.1	+43.2
1978-80	+7.1	-19.1	+14.7	+0.2
1972-78	+5.5	-0.8	+3.0	+13.3

[1]Does not include Veteran and Senior Citizens Taxes, Special District Taxes, Bank Corporation Taxes, or Added and Omitted Taxes

[2]Includes County Libary and Local Health Service Taxes

Source: New Jersey Department of the Treasury, <u>Annual Report of the Division of Taxation</u>, 1972-1981; New Jersey Department of Community Affairs.

Table B-6B
Lacey Township
Property Taxes Levied, 1972-1982

	Total Tax Levy	Local Purpose Taxes	School District Taxes	County Taxes[2]	Percent of Total Tax Levy Collected
1982	$8,779,079	$492,130	$6,127,140	$2,159,809	--
1981	9,375,269	0	7,280,076	2,095,194	90
1980	4,107,940	0	2,332,535	1,775,404	91
1979	3,867,421	0	2,257,676	1,609,745	91
1978	3,754,045	0	2,226,512	1,527,534	90
1977	3,612,598	0	2,194,321	1,418,277	92
1976	4,079,812	0	2,758,915	1,320,897	84
1975	3,947,133	0	2,779,323	1,167,810	82
1974	2,496,201	0	1,575,091	921,110	83
1973	2,151,328	0	1,401,885	749,443	88
1972	1,569,896	-246	1,010,842	559,301	90

Average Annual Percent Change

1981-82	-6.4	--	-15.8	+3.1
1980-81	+128.2	--	+212.1	+18.0
1978-80	+4.6	--	+2.4	+7.8
1972-78	+15.6	--	+14.1	+18.2

[1]Does not include Veteran and Senior Citizen Taxes, Special District Taxes, Bank Corporation Taxes, or Added and Omitted Taxes

[2]Includes County Library and Local Health Service Taxes

Source: New Jersey Government of the Treasury, Annual Report of the Division of Taxation, 1972-1981; New Jersey Department of Community Affairs.

TableB-6C
Washington Township
Property Taxes Levied, 1972-1982

	Total Tax Levy[1]	Local Purpose Taxes	School District Taxes	County Taxes[2]	Percent of Total Tax Levy Collected
1982	$510,569	0	$359,148	$151,421	--
1981	485,930	0	354,624	131,306	90
1980	455,273	0	292,079	163,193	85
1979	416,971	0	281,958	135,013	93
1978	389,682	0	269,926	119,756	93
1977	372,846	0	255,186	117,660	94
1976	479,987	0	362,205	117,782	93
1975	392,678	5,200	264,233	123,245	95
1974	331,632	5,200	217,555	108,877	90
1973	302,515	5,200	238,490	58,825	94
1972	291,186	4,780	192,016	94,391	95

Average Annual Growth Rate

1981-82	+5.1		+1.3	+15.3
1980-81	+6.7	---	+21.4	-19.5
1978-80	+8.1		+4.0	+16.7
1972-78	+5.0		+5.8	+4.1

[1] Does not include Veteran and Senior Citizen Taxes, Special District Taxes, Bank Corporation Taxes, or Added and Omitted Taxes.
[2] Includes County Library and Local Health Service Taxes

Source: New Jersey Department of the Treasury, Annual Report of the Division of Taxation, 1972-1981; New Jersey Department of Community Affairs.

Table B-7A
Hamilton Township
Budget Expenditures, 1972-1982

	Total Expenditures	Municipal Functions	Debt Service	Deferred Charges	School, County, Special District Taxes	Reserve for Uncollected Taxes
1982[1]	--	$ 2,411,846	$ 791,115	$ 55,025	--	$ 629,170
1981	$ 9,335,266	2,197,470	659,514	112,648	$5,707,791	657,843
1980	6,378,287	1,772,764	365,534	74,518	3,801,435	364,035
1979	5,632,321	1,794,430	231,001	55,595	3,167,446	383,851
1978	5,426,566	1,660,447	110,657	24,608	3,096,104	534,750
1977	5,468,541	1,394,410	54,300	48,273	3,262,278	709,279
1976	5,745,917	1,438,298	52,800	13,292	3,336,919	904,607
1975	5,063,063	1,505,803	47,453	20,172	3,085,547	404,088
1974	4,218,346	1,449,644	28,272	5,110	2,458,424	276,895
1973	3,542,436	901,512	17,800	4,000	2,310,456	271,787
1972	3,379,917	764,235	27,000	7,000	2,154,432	310,679

Average Annual Percent Change

	Total Expenditures	Municipal Functions	Debt Service	Deferred Charges	School, County, Special District Taxes	Reserve for Uncollected Taxes
1981-82	--	+9.8	+20.0	-51.2	--	-4.4
1980-81	+46.4	+24.0	+80.4	+51.2	+50.2	+80.7
1978-80	+8.4	+3.3	+81.8	+74.0	+10.8	-17.5
1972-78	+8.2	+13.8	+26.5	+23.3	+6.2	+9.5

[1] Appropriated Expenditures

Sources: New Jersey Department of Community Affairs, <u>Annual Report of the Division of Local Government Services</u>, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-7B
Lacey Township
Expenditures, 1972-1982

	Total Expenditures	Municipal Functions	Debt Service	Deferred Charges	School, County, Special District Taxes	Reserve for Uncollected Taxes
1982[1]		$7,968,548	0	$42,800		$1,077,615
1981	$15,760,213	5,501,860	0	52,324	$9,375,269	830,760
1980	12,595,651	7,989,425	0	42,800	4,107,940	455,486
1979	10,358,989	5,981,311	0	17,678	3,867,421	492,579
1978	9,014,116	4,702,440	0	8,253	3,754,045	549,377
1977	8,388,664	4,022,766	0	0	3,612,598	753,300
1976	8,261,774	3,219,100	0	4,000	4,079,813	958,861
1975	7,463,344	2,546,736	0	88,343	3,947,133	881,133
1974	5,776,554	2,955,203	0	19,774	2,496,201	305,377
1973	4,805,612	2,369,629	0	29,000	2,151,328	255,655
1972	3,847,968	1,969,018	0	151,635	1,570,142	157,173
Average Annual Percent Change						
1981-82		+44.8	--	-18.2		+29.7
1980-81	+25.1	-31.1	--	+22.3	+128.2	+82.4
1978-80	+18.2	+30.4	--	+127.7	+4.6	-9.0
1972-78	+15.2	+15.6	--	-38.4	+15.6	+23.2

[1] Appropriated Expenditures

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-7C
Washington Township
Budget Expenditures, 1972-1982

year	Total Expenditures	Municipal Functions	Debt Service	Deferred Charges	School, County, Special District Taxes	Reserve for Uncol- lected Taxes
1982[1]	--	$140,175	0	0	--	$68,250
1981	$692,492	124,260	0	$1,750	$486,492	79,990
1980	627,711	116,238	0	0	455,273	56,200
1979	559,071	100,900	0	0	416,971	41,200
1978	539,174	101,893	0	500	389,682	47,100
1977	506,145	74,829	0	0	372,846	58,470
1976	601,086	62,300	0	0	479,986	58,800
1975	518,978	83,800	0	0	387,478	47,700
1974	418,432	48,410	0	2,000	326,432	41,590
1973	377,901	39,786	0	6,850	297,315	33,950
1972	378,656	52,950	0	0	286,406	39,300

Average Annual Percent Change

1981-82		+12.8	--	--		-14.
1980-81	+10.3	+6.9	--	--	+6.9	+42.
1978-80	+7.9	+6.8	--	--	+8.1	+9.
1972-78	+6.1	+11.5	--	--	+5.3	+3.

[1]Appropriated Expenditures

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-7D
Woodland Township
Expenditures 1972-1982

	Total Expenditures	Municipal Functions	Debt Service	Deferred Charges	School, County, Special District Taxes	Reserve for Uncollected Taxes
1982[1]	--	$388,140	0	0	--	$164,851
1981	1,298,367	415,863	0	0	735,095	147,409
1980	1,260,174	332,923	0	18,025	752,327	156,899
1979	1,106,680	304,890	0	4,868	669,433	127,489
1978	974,942	246,823	0	4,700	561,807	161,612
1977	887,794	171,400	0	3,399	533,144	179,851
1976	915,873	188,463	0	4,360	587,976	135,073
1975	804,941	214,389	0	6,098	409,675	174,779
1974	703,553	119,938	0	694	381,503	201,418
1973	644,050	109,195	0	14,419	341,485	178,951
1972	616,464	123,362	0	1,730	350,842	133,630

Average Annual Percent Change

	Total Expenditures	Municipal Functions	Debt Service	Deferred Charges	School, County, Special District Taxes	Reserve for Uncollected Taxes
1981-82	--	-6.7	--	--	--	+11.8
1980-81	+3.0	+24.7	--	--	-2.3	-6.1
1978-80	+13.7	+16.1	--	+95.8	+15.7	-1.5
1972-78	+7.9	+12.3	--	+18.1	+8.2	+3.2

[1] Appropriated Expenditures

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; and Woodland Township Municipal Budgets, 1981 and 1982.

Table B-8A
Hamilton Township
Budget Revenues, 1972-1982

	Total Revenues	Prior Years Surplus Appro-priated	Property Taxes Col-lected	Public Utility Taxes	Payments in Lieu of Taxes	State and Federal Revenues	Miscel-laneou Revenue
1982[1]	--	$ 975,546	--	$ 870,140	$ 1200	$ 151,640	$1,028,86
1981	$ 9,337,595	1,086,482	$5,913,436	870,140	0	211,915	1,255,62
1980	6,667,118	620,370	3,806,793	681,449	0	304,593	1,253,91
1979	5,903,580	580,518	3,293,460	623,005	0	369,058	1,037,53
1978	5,517,167	600,000	3,145,289	556,630	0	234,705	980,54
1977	5,508,855	300,000	3,464,317	485,487	0	213,017	1,046,03
1976	5,527,006	0	3,921,389	403,534	0	150,534	1,051,54
1975	4,385,567	332,000	2,911,830	350,478	0	162,991	628,26
1974	4,177,520	400,000	2,629,646	294,677	0	230,768	622,42
1973	3,589,099	225,000	2,436,292	271,077	0	73,781	582,94
1972	3,276,143	200,000	2,271,937	248,368	0	99,155	456,68

Average Annual Percent Change

1981-82	--	-10.2	--	0.0	--	-28.4	-18.1
1980-81	+40.1	+75.1	+55.3	+27.7	--	-30.4	+0.1
1978-80	+9.9	+1.7	+10.0	+10.7	--	+13.9	+13.1
1972-78	+9.1	+20.1	+5.6	+14.4	--	+15.4	+13.6

[1]Anticipated Revenues

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-8B
Lacey Township
Revenues, 1972-1982

	Total Revenues	Prior Years Surplus Appro-priated	Property Taxes Col-lected	Public Utility Taxes	Payments in Lieu of Taxes	State & Federal Revenues	Miscel-laneous Revenues
1982[1]		$2,112,982		$5,951,284	0	$420,015	$604,682
1981	$16,243,592	633,374	$8,506,027	5,951,284	0	582,323	570,584
1980	13,025,982	2,775,413	3,803,772	4,859,334	0	442,369	1,145,094
1979	12,370,668	2,220,343	3,608,121	4,789,536	0	418,936	1,333,732
1978	11,521,954	2,090,264	3,454,001	4,396,656	0	534,615	1,046,418
1977	10,661,402	2,050,000	3,362,610	3,767,520	0	430,067	1,051,204
1976	9,031,014	1,250,000	3,471,415	3,169,255	0	238,000	902,344
1975	7,768,356	575,000	3,311,353	3,145,398	0	126,835	609,770
1974	5,975,374	750,000	2,135,375	2,372,954	0	181,563	535,483
1973	5,499,780	1,000,000	1,997,495	1,899,926	0	178,137	424,221
1972	4,371,459	600,000	1,550,255	1,755,635	0	19,479	446,090
			Average Annual Percent Change				
1981-82		+233.6		0.0	-	-27.9	+ 6.0
1980-81	+24.7	-77.2	+123.6	+22.5	-	+31.6	-50.2
1978-80	+6.3	+15.2	+4.9	+5.1	-	-9.0	+4.6
1972-78	+17.5	+23.1	+14.3	+16.5	-	+73.7	+15.3

[1]Anticipated Revenues

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-8C

Washington Township
Budget Revenues, 1972-1982

	Total Revenues	Prior Years Surplus Appro-priated	Property Taxes Collected	Public Utility Taxes	Payments in Lieu of Taxes	State and Federal Aid Revenues	Miscellaneous Revenue
1982[1]	--	$ 111,000	--	$30,000	0	$14,995	$ 52,430
1981	$666,469	118,796	$440,465	35,036	0	15,566	56,606
1980	614,217	92,300	389,156	32,059	0	18,249	82,453
1979	593,754	69,100	390,977	32,267	0	14,718	86,693
1978	565,311	64,600	376,222	30,595	0	26,486	67,408
1977	538,144	54,100	352,722	28,442	0	20,183	82,696
1976	609,380	65,100	451,511	26,930	$4,636	13,121	48,081
1975	542,116	62,300	377,302	24,355	4,636	21,327	52,195
1974	416,897	38,700	299,061	19,122	0	15,220	44,794
1973	382,654	24,100	285,261	17,314	0	15,646	40,333
1972	368,355	37,220	277,609	15,097	0	4,432	33,997

Average Annual Growth Rate

1981-82	--	-6.6	--	-14.4	-	-3.7	-7.4
1980-81	+8.5	+28.7	+13.2	+9.3	-	-14.7	-31.4
1978-80	+4.2	+19.5	+1.7	+2.4	-	-17.0	+10.6
1972-78	+7.4	+9.6	+5.2	+12.5	-	+34.7	+12.1

[1] Anticipated Revenues

Sources: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-8D
Woodland Township

Revenues, 1972-1982

	Total Revenues	Prior Years Surplus Appropriated	Property Taxes Collected	Public Utility Taxes	Payments in Lieu of Taxes	State & Federal Aid Revenues	Miscellaneous Revenues
1982[1]		$150,000		$60,000	$2,939	$89,057	$250,995
1981	$1,246,280	201,000	$620,838	56,771	2,449	122,496	242,726
1980	1,266,408	183,000	638,479	56,120	0	133,946	254,863
1979	1,094,340	161,000	602,521	55,503	0	82,790	192,526
1978	1,061,940	151,000	528,950	51,241	0	65,779	264,969
1977	902,579	95,000	450,143	48,391	0	113,132	195,913
1976	826,803	135,000	466,943	44,672	0	43,137	137,051
1975	759,900	120,000	324,514	41,390	0	74,412	199,584
1974	625,804	50,000	301,670	27,145	0	40,029	206,961
1973	569,060	55,000	284,336	22,512	0	39,015	168,198
1972	445,307	20,000	312,171	19,528	0	18,655	74,953

Average Annual Percent Change

	Total Revenues	Prior Years Surplus Appropriated	Property Taxes Collected	Public Utility Taxes	Payments in Lieu of Taxes	State & Federal Aid Revenues	Miscellaneous Revenues
1981-82	--	-25.4	--	+5.7	+20.0	-27.3	+3.4
1980-81	-1.6	+9.8	-2.8	+1.2	---	-8.6	-4.8
1978-80	+9.2	+10.1	+9.9	+4.7	---	+42.7	-1.9
1972-78	+15.6	+40.1	+9.2	+17.4	---	+23.4	+23.4

[1]Anticipated Revenues

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-9A
Hamilton Township
Assets, Liabilities, and Surplus[1], 1972-1981

	Cash Assets	Other Assets	Cash Lia-bilities	Reserves for Receiv-ables	Surplus
1981	$ 2,893,421	$ 1,371,916	$1,420,766	$1,315,293	$1,529,278
1980	2,939,149	1,283,908	1,182,633	1,149,128	1,891,296
1979	2,635,628	1,052,093	1,442,967	895,266	1,349,488
1978	2,394,226	1,162,557	1,313,708	987,002	1,256,072
1977	2,395,421	1,170,058	1,374,961	1,082,650	1,107,868
1976	1,998,670	1,110,677	1,532,758	930,863	645,725
1975	903,821	1,299,758	1,145,075	1,043,724	14,779
1974	1,331,116	805,827	1,055,563	723,698	357,682
1973	1,551,697	731,713	1,083,957	692,658	506,795
1972	1,298,405	727,439	986,235	686,748	352,860
Average Annual Percent Change					
1980-81	-1.6	+6.9	+20.1	+14.5	-19.1
1978-80	+10.8	+5.1	-5.1	+7.9	+22.7
1972-78	+10.7	+8.1	+4.9	+6.2	+23.6

[1]Figures are for December 31 of each year

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-9B
Lacey Township
Assets, Liabilities, and Surplus[1], 1972-1981

	Cash Assets	Other Assets	Cash Liabil-ities	Reserves for Receiv-ables	Surplus
1981	$8,416,250	$1,615,949	$4,483,353	$1,487,549	$4,061,298
1980	5,240,773	915,770	3,555,256	725,086	1,876,202
1979	7,014,582	900,249	3,853,169	686,249	3,375,413
1978	5,604,294	756,394	2,897,348	741,249	2,722,091
1977	5,479,223	794,062	2,991,704	685,633	2,595,948
1976	4,629,187	1,054,945	2,304,454	957,841	2,421,837
1975	3,565,030	1,081,671	2,214,019	973,352	1,459,330
1974	2,349,367	638,045	1,844,694	533,943	608,775
1973	2,497,344	516,626	1,815,499	399,789	798,683
1972	2,722,499	315,022	1,614,493	223,141	1,199,886

Average Annual Percent Change

	Cash Assets	Other Assets	Cash Liabil-ities	Reserves for Receiv-ables	Surplus
1980-81	+60.6	+76.5	+26.1	+105.2	+116.5
1978-80	-3.3	+10.0	+10.8	-1.1	-17.0
1972-78	+12.8	+15.7	+10.2	+22.2	+14.6

[1]Figures are for December 31 of each year

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-9C
Washington Township
Assets, Liabilities, and Surplus[1]
1972-1981

	Cash Assets	Other Assets	Cash Liabil-ities	Reserves for Receiv-ables	Surplus
1981	$439,075	$55,990	$270,113	$55,106	$169,846
1980	355,525	30,158	185,573	27,524	172,586
1979	378,843	39,448	174,984	38,358	204,949
1978	366,933	30,021	176,618	29,076	191,260
1977	280,510	27,806	122,415	25,433	160,468
1976	422,254	51,742	313,039	41,680	119,277
1975	319,914	30,009	224,102	26,516	99,305
1974	176,010	62,916	103,253	52,467	83,205
1973	298,421	24,458	226,040	22,090	74,748
1972	188,588	27,712	136,576	18,411	61,313

Average Annual Percent Change

1980-81	+23.5	+85.7	+45.6	+100.2	-1.6
1978-80	-1.6	+0.2	+2.5	-2.7	-5.0
1972-78	+11.7	+1.3	+4.4	+7.9	+20.9

[1]Figures are for December 31 of each year

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; Municipal Budgets, 1981 and 1982.

Table B-9D
Woodland Township
Assets, Liabilities, and Surplus[1], 1972-1981

	Cash Assets	Other Assets	Cash Liabil-ities	Reserves for Receivables	Surplus
1981	$457,398	$247,074	$278,323	$247,074	$179,075
1980	551,352	196,462	295,151	196,463	256,200
1979	506,663	241,729	294,200	223,705	230,488
1978	502,042	214,214	236,794	208,664	270,799
1977	395,895	326,369	196,255	318,335	207,674
1976	371,690	315,718	236,765	311,638	139,007
1975	374,535	274,774	180,841	261,291	207,177
1974	303,720	394,244	136,938	325,959	235,066
1973	252,908	396,174	129,684	337,326	182,072
1972	195,368	374,182	140,964	301,893	126,693
	Average Annual Percent Change				
1980-81	-17.0	+25.8	-5.7	+25.8	-30.1
1978-80	+4.8	-4.2	+11.6	-3.0	-2.7
1972-78	+17.0	-8.9	+9.0	-6.0	+13.5

[1]Figures are for December 31 of each tax year.

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980; and Municipal Budgets, 1981 and 1982.

Table B-10
State of New Jersey
Average Property Tax Rate and Total Tax Levy, 1972-1982

	Average Tax Rate per $100 assessed value	Total Tax Levy million dollars
1981	$3.78	$4,192
1980	3.67	3,794
1979	3.60	3,493
1978	3.71	3,328
1977	3.90	3,257
1976	4.26	3,309
1975	4.14	2,985
1974	4.13	2,726
1973	4.32	2,550
1972	4.75	2,407
	Average Annual Percent Change	
1980-81	+3.0	+10.5
1978-80	-0.5	+6.8
1972-78	-4.0	+5.6

Source: New Jersey Department of the Treasury, Annual Report of the Division of Taxation, 1972-1981

Table B-11
State of New Jersey
Total Municipal Expenditures and Revenues, 1972-1981

	Municipal Expenditures	Municipal Revenues
	-thousand dollars-	
1980	5,523,586	5,526,481
1979	5,118,035	5,163,876
1978	4,879,157	4,891,898
1977	4,630,741	4,640,232
1976	4,503,562	4,468,320
1975	4,194,728	4,105,336
1974	3,807,727	3,786,934
1973	3,497,940	3,338,908
1972	3,217,771	3,179,398
	Average Annual Percent Change	
1978-80	+6.4	+6.3
1972-78	+7.2	+7.5

Source: New Jersey Department of Community Affairs, Annual Report of the Division of Local Government Services, 1972-1980.

APPENDIX C

Survey of Research on Indicators of Fiscal Stress 1/

1/ This material is reproduced from: Petersen, John E., Watt, Pat, and Kelley, Joseph, "Resource Guide on Municipal Fiscal Stress." Government Finance Research Center, Washington, D.C. (1981) (Unpublished)

An early study of indicators of fiscal stress was conducted by the U.S. Advisory Commission on Intergovernmental Relations (ACIR) in 1973. In its report, City Financial Emergencies, the Commission defined six warning signals of local government financial trouble:

1. an operating fund revenue-expenditure imbalance in which current expenditures significantly exceeded current revenues in one fiscal period;

2. a consistent pattern of current expenditures exceeding current revenues by small amounts for several years;

3. an excess of current operating liabilities over current assets (a fund deficit);

4. short-term operating loans outstanding at the conclusion of a fiscal year (or in some instances the borrowing of cash from the restricted funds or an increase in unpaid bills in lieu of short-term operating loans);

5. a high and rising rate of property tax delinquency; and

6. a sudden substantial decrease in assessed values for unexpected reasons.1/

The ACIR employed both an empirical and case study approach to decipher these indicators. For lack of data indicating that a financial emergency had occurred, the researchers relied on bond payment defaults as evidence of financial emergencies from the early 1800s through the early 1970s. Where defaults occurred, they examined the financial records to find causal factors. With the aid of linear discriminant analysis and multiple regression the study team investigated the characteristics of local governments in Michigan that defaulted in the 1930s to explain the underlying reasons for default and the differences in the magnitude of default.

Sociologist Terry Nichols Clark and associates have developed a number of systems to monitor fiscal strain. Their first attempt resulted in a four-variable cumulative index of fiscal strain which contained the following variables:

1/ ACIR, City Financial Emergencies (Washington, D.C.: Government Printing Office, July 1973), page 4).

1. long-run debt per capita;

2. short-run debt per capita;

3. expenditures per capita for nine basic functions; and

4. the ratio of own-source revenue to the full value of the taxable property base.[1]

A sample of cities was selected for comparative analysis by the researchers using a technique which relied on the computation of z scores for each variable for each city.[2] The z scores for the four variables were summed for each city in the sample to form a cumulative index of fiscal strain. The larger the combined z scores for a particular city, the greater the degree of stress.

A second phase of research by Clark inquired into the factors that account for the variation in city scores in the index of fiscal stress. The findings showed that a community's socio-economic characteristics (such as the size of the dependent population) and the leadership and decision-making patterns in the community (such as the political assertiveness of the business community and the unionization of public employees) were important factors.

Another study resulting in a set of indicators of financial condition was conducted by J. Richard Aronson and Arthur E. King.[3] The purpose of the work was to discover whether trends in debt accumulation by state and local governments outside of New York City were similar to those that contributed to the financial crisis of New York City. Aronson and King chose seven measures for their analysis:

1. long-term debt;

2. total annual interest payments;

3. short-term debt outstanding at the end of a fiscal year;

4. revenue from own sources;

5. total revenues;

6. state personal income; and

7. cash and securities holdings of the governmental unit.

1/ Terry Nichols Clark et al., Cities Differ - But How and Why and Political Leadership and Urban Fiscal Strain.

2/ $\text{z score} = \dfrac{\text{score for city} - \text{mean for all cities}}{\text{standard deviation for all cities}}$

3/ Aronson and King, "Is There Fiscal Crisis Outside of New York?"

In writing about their work, Aronson and King pointed out the importance of collecting historical data so that trends can be monitored to flag potential trouble spots.

A 66-city study conducted by the First National Bank of Boston and published by Touche Ross & Co. collected a consistent series of financial and demographic data and used a factor analysis routine to compile a list of variables that can be used to indicate fiscal stress.1/

The thirteen variables are:

1. the ratio of local taxes to personal income;

2. local taxes per capita;

3. intergovernmental revenues as a percent of total local revenue;

4. total debt per capita;

5. interest per capita;

6. average municipal spending per capita over a five-year period;

7. fire expenditures per capita;

8. education expenditures per capita;

9. health expenditures per capita;

10. welfare expenditures per capita;

11. the ratio of full-time city employment to total local private sector employment;

12. average annual income of city employees; and

13. current operating expenditures per capita.

A second step in the research was to divide the cities into homogeneous socio-economic clusters to insure that comparisons made on the basis of financial behavior were made between cities that were otherwise similarly situated.

1/ Touche Ross & Co. and The First National City Bank, Urban Fiscal Stress.

The final steps was to apply the 13 indicators to each of the cities in the 16 socio-economic clusters that had been identified and to calculate the mean value of each of the indicators within each cluster. A city experiencing fiscal stress was defined as one having one or more indicators above the mean value for the cluster by more than one standard deviation.

The Government Finance Research Center (GFRC) has contributed to the research on indicators in several ways. In 1979, it published a guide entitled Is Your City Heading for Financial Difficulty?1/ The guide identified 28 indicators that the authors felt could be used by local governments to determine if their city was heading for financial difficulty. The study provided a framework for analyzing trends in variables that, when considered as a group, can be used to provide a crude gauge of financial condition. The indicators selected for the GFRC study are listed by major category below:

ECONOMIC VITALITY

Appraised value of real estate per capita
Number and value of building permits
Number and value of business licenses
Retail sales value
Expenditure for police and social services as a percent of total expenditures
Total population
Income per capita

FINANCIAL INDEPENDENCE AND FLEXIBILITY

Percentage of expenditures for basic services funded from intergovernmental grants
Proportion of own-source revenues committed to meet matching requirements
Debt burden
Pattern of budget overruns in specific programs or departments
Amount of employee fringe benefits
Proximity of key revenue sources to legal ceilings
Proportion of municipal expenditures made to fund mandated cost

PRODUCTIVITY

Number of municipal employees per capita
Municipal expenditures per capita
Municipal enterprises incurring operating losses
Rates charged for municipal enterprises

1/ Rosenberg and Stallings, Is Your City Heading for Financial Difficulty?

CURRENT COSTS DEFERRED TO THE FUTURE

Short-term debt outstanding and other obligations at year end as a percent ot total own-source revenues
Long-term debt applied to operating programs
Capital outlays as a percent of total city expenditures
Deferral of pension liabilities

UNSOUND FINANCIAL MANAGEMENT PRACTICES

Relationship between real estate assessments and true market values
Earnings on short-term investments
Interest cost of short-term loans as a percent of total own-source revenue
Incidence of revenue shortfalls
Account of uncollected taxes and fees at years end
Frequency of audit qualifications

A pilot indicators study has recently been completed by the Government Finance Research Center. The purpose of this study was to test the feasibility of an annual urban indicators report for the U.S Department of Housing and Urban Development which would describe and compare economic, fiscal, social, and physical conditions and trends in selected (48) Community Development Block Grant Entitlement cities. Although the project is directed at entitlement cities, its results are useable for a number of purposes and users. Besides collecting a wealth of information on each of the sample cities, the study also identifies and appraises summary statistics for use as indicators or indices by which cities may be compared to each other over time. In combining the statistics into overall indicators of urban condition, particular attention is paid to such aspects of urban condition as fiscal posture. More recent work by the Research Center has resulted in the development of an empirical model of fiscal stress in which one element is a revenue effort index that is derived from the concept of a Representative Revenue Base. This work is described in the unpublished "Resource Guide on Municipal Fiscal Stress."

Finally, based on research performed during the past four years, the Research Center has developed a methodology (based on a series of key indicators) for use in small communities to determine the affordability of proposed water pollution control facilities. This methodology is presented as a "fill-in-the-blanks" approach in a Financial Capability Guidebook developed for the U.S. Environmental Protection Agency.

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APPENDIX D 1/

State Payments in Lieu of Taxes to Local Governments

Governments in most of the 50 states have developed a variety of payment methods to compensate local governments for the loss in tax revenues arising from state acquisition and ownership of real (and, in some instances, personal) property. The methods and scope of payments vary widely. Like the federal government, some of the states have occasionally given their consent to direct local taxation of certain agencies and instrumentalities. However, as a whole, the states use the same methods of compensation as those used by the federal government and described in *Chapter 2* of this report.

The nature of state compensatory efforts can be summarized as follows:

- 37 states either make payments to local governments for certain state-owned property or allow local taxation of selected state property.
- 13 states neither provide compensation nor permit taxation.[1]
- Financial payments for one or more categories of state-owned real property are made regularly[2] in at least 29 states. Some states, such as Hawaii, have in lieu statutes in their laws but do not have operating payment programs because they have not yet appropriated any funds. Seven of these states did not document expenditures in recent surveys although they may actually be fully funded.

1/ This material is reprinted from the Advisory Commission on Intergovernmental Relations report Payments In Lieu Of Taxes on Federal Real Property: Appendices. ACIR, Washington DC. May, 1982.

- States seldom provide for full coverage of all state property when they adopt payment programs. Typically, only a select category of property, such as forest land or parks, gives rise to a payment or is allowed to be taxed.[3]

The wide variety of fiscal arrangements used by the states for compensating local governments for the presence of state-owned land can be classified within the same conceptual framework as that used to describe federal payment programs. No payment programs using a grant or fixed percentage of own-source (property tax and other local levies) revenues were found among the state programs, however. The 77 different state-payment programs can be broken down as follows:

- 18 receipt-sharing programs;
- 37 payment in lieu of tax-type programs;
- 19 formula-based programs; and
- three of a miscellaneous nature.

Together, these programs show a majority of the state legislatures throughout the country have acknowledged some state responsibility to local governments as landowner. In fact, many states have gone the entire route to assume full tax responsibility for government-owned lands: of the 37 PILOT-type programs, 11 provide for full tax equivalency payments, while 24 provide partial tax equivalency payments based upon either a percentage of land owned within a jurisdiction or a percentage of the value of lands within a jurisdiction which is state owned.* Indeed, the lion's share of these programs has been passed in the last decade and additional legislation continues to be regularly proposed each year. The remainder of this Appendix lists state compensatory payment programs and details the provision of each state payment.

* Although the partial tax equivalency programs provide only an arbitrary portion of the states' property tax liability were its lands held in private ownership, it is based upon property-related measures and is therefore considered a more direct payment scheme than most other federal programs.

STATE PROGRAMS PERTAINING TO COMPENSATION OF LOCAL GOVERNMENTS FOR STATE-OWNED PROPERTY, 1980

ALABAMA

No provisions for state compensation to local governments for state-owned property.

ALASKA

No provisions.

ARIZONA

No provisions.

ARKANSAS

No major provisions; indirect program authorization exists for compensation for state-owned forests, although no payments have ever been made.

CALIFORNIA

State statutes provide for an in lieu of taxes equivalency payment to those local governments in which state-owned forest and wildlife management land is located. (*West's Ann. Rev. & T. Code*, 38901 *et seq.*)

The state also provides for payments based on shared revenues and receipts derived from state lands acquired for highways and from tidal and submerged lands on which mineral rights were reserved.

COLORADO

No provisions, although there is some minimal receipt sharing from state-owned forest lands.

CONNECTICUT

The general statutes include a provision requiring an inventory of state-owned property. Each state department and institution must transmit to the comptroller annually an inventory of all real and personal property owned by the state and in the custody of such department or institution. (*General Statutes of Connecticut*, Title 12, Ch. 201, Sec. 4-36)

The state provides grants to townships in lieu of taxes on all state-owned real property, except highways and bridges. The grants are computed as the product of a fractional portion of the assessed value of all state-owned property in the town (determined by the ratio of total tax levied by the town on all real property to the total tax levied on real property by all towns in the state) multiplied by ten times the local mill rate. Grants are limited to no less than $2,000, or the value of the state-owned property, whichever is less, and may not exceed $600,000. (*General Statutes of Connecticut*, Title 12, Ch. 201, Sec. 12-19a-d)

The state makes an additional annual payment of $1,400 in lieu of taxes to the fire district of Warehouse Point (Sec. 12-19e). (The state is also unique in its provision for the reimbursement of municipalities, by the state, of a sum equal to 25% of the property taxes which would have been paid by any private nonprofit institution of higher education or general hospital facility, had these institutions not been tax exempt—Sec. 12-20a)

DELAWARE

No provisions.

FLORIDA

Limited state payments may be made to municipalities for improving the physical condition of state-owned lands. (*Florida Stat. Ann.*, Ch. 196, Sec. 30) Some prison farmland in Bradford County does receive a tax equivalent payment.

GEORGIA

The state provides payments in lieu of taxes on all state-owned land in counties if in excess of 20,000 acres, provided that the county receives no revenue directly from the land.

HAWAII

The statutes provide for compensation to counties for their share of improvement district costs; however, officials observed that the provision is "ineffective" because the requirement that appropriations be made "from time to time" allows the legislature to postpone appropriating the funds indefinitely. In fact, the state has owed the City and County of Honolulu some $1.5 million in improvement district costs for several years. (*Hawaii Revised Statutes*, Sec. 67-8)

IDAHO

State lands may be charged for local benefits (services) specially accruing to such lands. (*Idaho Code*, Title 58, Sec. 336) The state may also share receipts from its lands acquired for parks and forests.

ILLINOIS

The state makes payments to school districts which have minimum amounts of state land or a certain number of state employees. If the state-owned land comprises one eighth of the land area of the district, or if a state institution is located in a district with less than 250 pupils and 5% of the pupils who are members of families employed in the institution attend public school in the district, the state then pays an amount equal to the school taxes that would have been collected if the land were privately owned. The program was essentially addressed to University of Illinois properties used for income purposes or leased to staff members. (*Illinois Revised Statutes*, Ch. 122, Sec. 18-4)

The state may also share receipts from state-owned forest lands.

INDIANA

No provisions.

1979 Senate Bill 332 would have provided compensation to municipalities for lighting state roads; however, the bill did not become law.

IOWA

1979 H.F. 734 passed and appropriated $35,000 to reimburse school districts for taxes lost due to state acquisition of lands for the state's open space program. Payments are to be made according to prescribed assessment practices or reduced proportionally if the total taxes exceed the appropriated $35,000. *Iowa Code*, Sec. 284.1 *et seq.* also provides reimbursement to school districts for tax losses resulting from exemption of federal, state, or locally owned lands.

KANSAS

No specific provisions, although voluntary in lieu of tax payments are made by some state agencies, without established formula bases for calculating payments.

KENTUCKY

No provisions.

LOUISIANA

No provisions, although receipts from lands containing mineral leases are shared with localities.

MAINE

No provisions.

1979 Legislative Document 1049 would have allowed a municipality, at its option, to levy a user charge in place of taxes for services the municipality provides relative to state and county-owned property. The user charges would have been limited to the cost of the following services: road maintenance and construction, traffic control, snow and ice removal, water and sewer service, and sanitation services. The measure failed to gain legislative approval.

MARYLAND

In accordance with state statute, Maryland pays for utility services, makes special grants to Annapolis for its role as the capital city, and pays local government 15% of receipts from state parks, forests, scenic preserves, parkways, and recreation areas. (*Maryland Code*, Natural Resources Article, Sec. 5-212)

MASSACHUSETTS

A state-determined average mill rate is applied to the value of state-owned land in each community which is used for game sanctuaries, state military camp grounds, state forests, universities, and public institutions under departments such as correction, education, mental health, public health, and welfare. The equalized mill rate is applied against the full-market value of state land to yield these payments to municipalities. (*Massachusetts General Laws Annotated*, Ch. 58, Sec. 13)

MICHIGAN

1977 *Public Act 289* provides for the payment to municipalities for fire protection services received by state facilities, not to be less than $500 annually.

Flat payments per acre are also made for lands controlled by the State Military Board and Department of Natural Resources (DNR), including swamplands. Lands dedicated as wilderness, wild, or natural areas under DNR are also entitled to tax equivalency payments although none has been made. Finally, when DNR lands are sold, some of the receipts are shared with the localities.

MINNESOTA

Laws of 1979, Chapter 303, provides for state payments to local governments in lieu of taxes on lands presently owned by the state in fee title and administered by the Commissioner of Natural Resources. Payments are made on a flat-rate per-acre basis, with the rate depending upon the nature of the property (and receipts from economic activity). The law requires that 40% of the payments be deposited in the general fund for property tax reduction purposes, and further prescribes a distribution scheme for the balance of the payments.

MISSISSIPPI

The state shares receipts from its park and forest land.

MISSOURI

On November 4, 1980, the voters of Missouri approved a constitutional amendment requiring the Conservation Department to pay the counties taxes for property it has purchased.

Authority also exists for the state to make flat payments per acre for forest cropland although it appears that funding has not been provided.

MONTANA

During the 1979–81 biennium, interim legislative committees are studying the subject of state compensation to local governments for state-owned property to determine if legislation should be proposed.

The state currently has authority to share receipts from acquired forest land and also make payments for grazing land if it comprises more than 6% of a county's area, although it is not clear whether these programs are actually funded.

NEBRASKA

No provisions.

NEVADA

For a number of years, the legislature has provided a payment to the government of Carson City as an in lieu payment for all the state-owned property located there. However, the payment is not large and does not approach what the taxes would be on the property if it were privately owned. (*Nevada Revised Statutes*, 361.055)

Since July 1, 1978, all state-owned real estate has been required to be listed on a separate county tax list and assessment roll at its full cash value. If the total value of the state's real property in a county is greater than 17% of the total value of all other real estate listed in the county's tax list and assessment roll, that portion of the value of the state holdings in excess of 17% may be taxed by the county as other property is taxed. (*Nevada Revised Statutes*, 361.055)

The Nevada Department of Fish and Game is also to pay to the county tax receiver of the county where each parcel of its acquired real property is located an amount equal to the taxes levied and assessed against each parcel. (*Nevada Revised Statutes*, 361.055)

NEW HAMPSHIRE

1979 Senate Bill 49 has been referred for interim study. The bill would have established a uniform appraisal, levy, and appeal procedure whereby the state would pay cities and towns an amount equal to one-half the normal tax levy in return for local services in lieu of property taxes. Presently, the state makes tax equivalency payments only for certain forest lands and lands acquired for parks and recreation. State forest receipts are also shared. Under the new measure, still under study as of January 1980, the state could still make application to the local unit for exempting the property from payments.

NEW JERSEY

State land and improvements owned, except for lands used for highways, bridges or tunnels, are assessed and subject to an in lieu tax payment to compensate municipalities for the costs of local services to state property. The assessment is calculated by applying the effective local purpose tax rate for the tax year to the aggregate amount of state property in the municipality to yield a sum constituting the state's liability; not to be less than $1,000 or greater than 25% of the local (municipal) purpose tax levy for the year for which the calculations are made. (*New Jersey Revised Statutes*, 54:4-22a *et seq.*)

1978 Senate Bill 274 provided for payments by the state to municipalities that exempted publicly assisted housing projects from real property taxes. As proposed, the amount of state rebate is computed by the Director of Local Government Services as a product of the total replacement cost of publicly assisted housing units times the effective tax rate of the qualifying municipality. The in lieu tax payment would be received by the municipality and then deducted from the tax equivalency figure to determine the final amount due to the municipality. If appropriations are insufficient to pay the qualifying municipalities the full amounts to which they are entitled, the amount appropriated would be prorated so that each municipality is distributed the same percentage of the total appropriation it would have received. This legislation was reintroduced in 1978-79 as Senate Bill 369 but died in session.

Three other state-local payment programs in lieu of taxes also exist. (1) The state makes a flat 10¢ fee per acre payment on certain state parks and forests. (2) State water resource projects, covering predominantly rural and agricultural lands, provide the base for a 100% tax equivalent payment on lands, equal to the taxes paid during the year prior to acquisition. For improvements on these lands, a declining payment is made, also based on the taxes paid during the year prior to acquisition, and phased out over a 13-year period from acquisition or commencement of construction. (3) The state's "Green Acres" legislation required tax payments on the parks, forests, open space and environmentally sensitive areas which it acquires. These payments are based on the taxes paid during the year prior to acquisition at a declining rate phased out over the 13-year period from acquisition.

NEW MEXICO

No provisions.

NEW YORK

The state offers local government units compensation under at least seven types of payment programs:

(1) Lands owned by the state for reforestation purposes are subject to taxation for all purposes except county purposes. Such lands are valued as if privately owned and assessed at the same percentage of full valuation as other taxable real property. (*New York Real Property Tax Law*, Sec. 534)

(2) The following state lands are subject to taxation for all purposes: (a) all wild or forest lands owned by the state in forest preserves; (b) all wild or forest lands owned by the state in the towns of Altona and Dannemora; (c) all state lands of the

Allegany State Park; (d) all land in Rockland County acquired for public use; (e) all land in Rockland County and the towns of Cornwall, Highland, Tuxedo, and Woodbury acquired for public use in connection with the Palisades Interstate Park; (f) lands acquired or leased by the state and used for the construction and management of a railroad from Lake Champlain to Clinton Prison; (g) all lands owned by the state or leased from the United States for a term of 50 years or more, for use by the conservation department as a fish hatchery, game farm, game management area, or game refuge. (*New York Real Property Tax Law*, Sec. 532)

(3) Lands owned by the state and situated in a variety of school districts are subject to taxation for school purposes. (*New York Real Property Tax Law*, Sec. 536)

(4) Whenever the state or a state agency acquires real property that becomes exempt as a result of the tax acquisition and constitutes 2% or more of the total taxable assessed valuation of the latest preceding assessment roll, or there is a reduction in assessments on taxable state lands, the state tax board is responsible for establishing a "transition assessment" which effectively prevents any loss of taxable assessed valuation on the assessment roll for the first year affected by the state acquisition. For each succeeding year, the board is responsible for establishing a transition assessment effectively limiting to 2% the loss in taxable assessed valuation resulting from the acquisition or subsequent acquisition or reductions in the assessments. This process continues until the transition assessment is phased out. (*New York Real Property Tax Law*, Sec. 545)

(5) State aid is payable to any county, city, or city school district when the assessed valuation of the unit's tax base is decreased in any one year by 10% or more as the result of the removal from the assessment roll of a public utility company as the direct or indirect result of the surrender of any license, franchise, permit, or authorization where the undertaking was by law or regulation of New York or of the United States. The state aid payment for the first year is 80% of the total taxes that would have been levied for the year preceding removal. For the next three years, the state aid payment would be 60%, 40%, and 20%, respectively, of the total taxes that would have been levied for the year preceding removal of the utility. (*New York Real Property Tax Law*, Sec. 546)

(6) State aid is payable to any city with a population of 75,000 or more when new land acquisitions by the state for other than highway purposes would cause the total assessed valuation of state-owned property in the city to be 25% or more of the total taxable assessed valuation of the tax roll. State aid for the first year the land is acquired is payable in an amount equal to the tax levy for the year preceding acquisition. Subsequently, in lieu of tax payments are made for the period of probable usefulness of the improvements, not to exceed 30 years, in an amount equal to 1% of the acquisition cost of the land and improvements plus construction costs of new facilities. The city must apply to the comptroller for these aid payments. (*New York Public Lands Law*, Sec. 19-a) To date only Albany has qualified for this program.

(7) Tax equivalency payments are also made on land acquired by the Port of New York Authority.

Optional Service Charge Law: In addition to these specific payment programs, New York has since 1972 permitted local governing bodies to levy property taxes on certain kinds of formerly exempt property. For example, associations organized exclusively for "Bible, tract, benevolent, missionary, infirmary, public playground, scientific, literary, bar or medical association, library, patriotic or historical purposes, or for the enforcement of laws relating to children or animals" are subject to taxation at local discretion to cover costs for fire, police, sanitation, water supply, and street maintenance services. Moreover, organizations which maintain their exempt status are still subject to a service charge on most local services, determined by multiplying the tax rate by a fraction representing the costs of chargeable services in relation to all expenditures financed from local property taxes. (*New York Consolidated Laws Annotated*, Art. 4, Title 2, Sec. 421)

NORTH CAROLINA

The state shares receipts from timberlands and lands which are donated for forests or parks.

NORTH DAKOTA

The state has authority to make tax equivalency payments for land under the control of The Fish and Game Commission, and to share receipts from its acquired forest lands. Payments under these programs are not documented, however.

OHIO

Ohio Revised Code, Chapter 163 provides a standard state appropriation procedure to local governments for state-owned property; on a tax equivalency basis for lands held by the Division of Wildlife; and also via receipt sharing for forest land and lands adjacent to certain lakes.

OKLAHOMA

No provisions.

OREGON

The state shares large amounts of revenues derived from state forest lands and also provides tax equivalency payments for lands under the control of the state game commissioner.

PENNSYLVANIA

Public Act 32 (printer's no. 2628), signed into law in April 1980, provides for an annual charge to be levied on all lands acquired by the Commonwealth or by the U.S. government for forest reserves, conservation of water, or to prevent flood conditions. The charge is to be levied and distributed for the following local units: (1) 13¢ per acre for the county in which the lands are located; (2) 13¢ per acre for the school districts in which the lands are located; and (3) 13¢ per acre for the township in which the land is located. The law authorizes the charge only until such time as the charges equal or exceed the amount paid by the Commonwealth in lieu of taxes, under a 1935 law, which provides for tax equivalency payments on lands acquired for flood control, recreation, conservation, and historical purposes, and receipt sharing on state forest lands.

RHODE ISLAND

The *General Laws of Rhode Island* do not provide for compensation to local governments for specific types of land. However, the state does make tax equivalency payments for reservoir land acquired by the State Water Resources Board when in excess of 25% of the value of all real property within that jurisdiction. These payments are made only on Big River and Wood River Reservoir land and are based on a declining scale over 25 years, beginning in 1963.

A bill (79-S-437) relating to state grants in lieu of taxes on state-owned property was introduced in 1979. However, the bill was not reported out of committee and its prospects for 1980 enactment do not seem any better, largely due to an estimated $21.7 million projected annual cost to the state. The bill would have provided an in lieu payment equal to 25% of the property tax which would have been paid for nonprofit institutions of higher education and nonprofit hospitals, and an in lieu payment for state-owned property to be computed as a fraction of the total state municipal tax levy times the assessed value of all state-owned real property and then multiplied by ten times the mill rate of the municipality.

SOUTH CAROLINA

The state has a program to make tax-equivalency payments on public service authority lands acquired before 1950, and to make flat per-acre compensatory payments for forestlands, parklands, and forestry commission lands.

SOUTH DAKOTA

The state pays for endowment and school lands it owns in each county and school district at the same tax rate of taxable agricultural lands. The state also pays its counties a tax equivalent to the amount that would be paid by properties outside of incorporations under the State Board of Charities and Corrections and State Board of Regents were such lands privately owned. (*South Dakota Compiled Laws*, Vol. 2, Ch. 5.11) The same section provides that public shooting areas and state-owned lands acquired under the Rural Credit Act may be taxed by local taxing districts.

TENNESSEE

No provisions.

TEXAS

No provisions.

UTAH

Minimal tax-equivalency payments are made for land managed by the State Wildlife Division.

VERMONT

The state shares its receipts from forest and parklands. All state land is to be assessed at fair market value and listed separately. Whenever the

Allegany State Park; (d) all land in Rockland County acquired for public use; (e) all land in Rockland County and the towns of Cornwall, Highland, Tuxedo, and Woodbury acquired for public use in connection with the Palisades Interstate Park; (f) lands acquired or leased by the state and used for the construction and management of a railroad from Lake Champlain to Clinton Prison; (g) all lands owned by the state or leased from the United States for a term of 50 years or more, for use by the conservation department as a fish hatchery, game farm, game management area, or game refuge. (*New York Real Property Tax Law*, Sec. 532)

(3) Lands owned by the state and situated in a variety of school districts are subject to taxation for school purposes. (*New York Real Property Tax Law*, Sec. 536)

(4) Whenever the state or a state agency acquires real property that becomes exempt as a result of the tax acquisition and constitutes 2% or more of the total taxable assessed valuation of the latest preceding assessment roll, or there is a reduction in assessments on taxable state lands, the state tax board is responsible for establishing a "transition assessment" which effectively prevents any loss of taxable assessed valuation on the assessment roll for the first year affected by the state acquisition. For each succeeding year, the board is responsible for establishing a transition assessment effectively limiting to 2% the loss in taxable assessed valuation resulting from the acquisition or subsequent acquisition or reductions in the assessments. This process continues until the transition assessment is phased out. (*New York Real Property Tax Law*, Sec. 545)

(5) State aid is payable to any county, city, or city school district when the assessed valuation of the unit's tax base is decreased in any one year by 10% or more as the result of the removal from the assessment roll of a public utility company as the direct or indirect result of the surrender of any license, franchise, permit, or authorization where the undertaking was by law or regulation of New York or of the United States. The state aid payment for the first year is 80% of the total taxes that would have been levied for the year preceding removal. For the next three years, the state aid payment would be 60%, 40%, and 20%, respectively, of the total taxes that would have been levied for the year preceding removal of the utility. (*New York Real Property Tax Law*, Sec. 546)

(6) State aid is payable to any city with a population of 75,000 or more when new land acquisitions by the state for other than highway purposes would cause the total assessed valuation of state-owned property in the city to be 25% or more of the total taxable assessed valuation of the tax roll. State aid for the first year the land is acquired is payable in an amount equal to the tax levy for the year preceding acquisition. Subsequently, in lieu of tax payments are made for the period of probable usefulness of the improvements, not to exceed 30 years, in an amount equal to 1% of the acquisition cost of the land and improvements plus construction costs of new facilities. The city must apply to the comptroller for these aid payments. (*New York Public Lands Law*, Sec. 19-a) To date only Albany has qualified for this program.

(7) Tax equivalency payments are also made on land acquired by the Port of New York Authority.

Optional Service Charge Law: In addition to these specific payment programs, New York has since 1972 permitted local governing bodies to levy property taxes on certain kinds of formerly exempt property. For example, associations organized exclusively for "Bible, tract, benevolent, missionary, infirmary, public playground, scientific, literary, bar or medical association, library, patriotic or historical purposes, or for the enforcement of laws relating to children or animals" are subject to taxation at local discretion to cover costs for fire, police, sanitation, water supply, and street maintenance services. Moreover, organizations which maintain their exempt status are still subject to a service charge on most local services, determined by multiplying the tax rate by a fraction representing the costs of chargeable services in relation to all expenditures financed from local property taxes. (*New York Consolidated Laws Annotated*, Art. 4, Title 2, Sec. 421)

NORTH CAROLINA

The state shares receipts from timberlands and lands which are donated for forests or parks.

NORTH DAKOTA

The state has authority to make tax equivalency payments for land under the control of The Fish total value of state land is greater than 10% of the total value of all other property listed in a town, the portion greater than 10% may be taxed by that town. (*Vermont Code*, Sec. 3655a)

Local taxation of state forests, parks, and forest reserves is also authorized although it is unclear whether this is actually done. (*Vermont Code*, Secs. 3615, 3657)

VIRGINIA

The governing body of any county, town, or city is authorized to impose and collect a service charge upon tax exempt state-owned real property based on the assessed value of the real estate and the amount which the local unit shall have expended in the preceding year for the purpose of furnishing police and fire protection, and refuse collection, excluding any amount received as a federal or state grant for that same purpose, but not to exceed 20% of the real estate tax rate. The charge is computed by dividing the expenditures by the assessed fair market value of all the real estate within the local unit, including nontaxable property. The service charge may be imposed on owners of all real estate in Virginia, except for church property, but cannot exceed 20% of the locality's real estate tax rate except for educational institutions, faculty and staff housing which has a 50% limit. (*Code of Virginia*, Sec. 58-16.2)

WASHINGTON

Receipt-sharing payments are made for forest and parklands, as well as harbor areas and tidelands within an established port district. State game lands of over 100 acres are also the base for annual tax equivalency payments. Other state agency or institutional land is also subject to state compensatory payments although they are made to the fire districts only.

WEST VIRGINIA

No provisions.

WISCONSIN

Wisconsin's numerous in lieu programs provide payments for nearly 90% of the state's tax exempt acreage:

(1) Enacted in 1973, the "payments for municipal services" program was one of the earliest and most comprehensive state compensatory policies to emerge. The plan's purpose is to "make equitable annual payments to municipalities, from a specific state appropriation, in recognition of critical services directly provided to state facilities." Payments to municipalities are authorized for police, fire, and garbage collection, computed by prorating a portion of the municipality's net costs for these services to the state property based on valuation (that is, the amount of these services financed by the property tax, multiplied by the ratio of the value of state improvements to taxable improvements plus state improvements). (*Wisconsin Statutes*, 70.119)

(2) State Department of Natural Resources (DNR) lands, including state parks, forests, fish and wildlife management lands, and lands leased from the federal government, provide for flat-fee per acre payments (50¢). (*Wisconsin Statutes*, 70.113)

(3) An alternative "formula" payment scheme for DNR lands acquired subsequent to July 1969, provides for a ten-year declining ad valorem payment for these lands, not to fall below the flat rate per acre. Under this program the first year's payment is determined on the basis of the local assessment following acquisition multiplied by the county, local, and school tax rate levied against all assessments for that year. Subsequent payments are 10% reductions of the first year's payment throughout a ten-year schedule or until the 50¢ acre minimum is reached. (*Wisconsin Statutes*, 70.113, as amended by Ch. 90, Laws of 1973, Sec. 323)

(4) The state pays 20¢ per acre to towns and 10¢ per acre to counties for county forestlands situated in each. In addition, when timber is cut in the county forest system, the state receives a severance payment of 20% of gross value, sharing 10% with the towns and the remainder with the counties. (*Wisconsin Statutes*, 28.10-11)

(5) The private Forest Crop Law provides for additional in lieu payments based on conservation and production severance tax issues. It provides that an owner of 40 acres or more of forestland may sign a 25 to 50-year contract with the state, agreeing to practice sound forest management and pay annually 10¢ per acre (pre-1971 enrollment) or 20¢ an acre (post-1972 enrollment) in lieu of property taxes. The state contributes an additional 20¢ per acre and the proceeds are then divided

between town (40%), school district (40%), and county (20%). The landowner then pays a 10% severance tax to the state when timber is cut or the contract terminates. (*Wisconsin Statutes*, 77.01-.14)

(6) The private Woodland Tax Law provides the same benefits as the Forest Crop Law to woodlot owners of less than 40 acres. Herein, landowners pay an annual tax of 20% per acre to the local town treasurer with no additional sharing requirements. No severance tax is assessed, nor is there a rollback provision for early termination of the ten-year contract. However, no state payment is made to the local town treasurer under this program. (*Wisconsin Statutes*, 77.16)

WYOMING

No specific provisions; however, because property owned by the State Game and Fish Commission is not used primarily for a government purpose, it may be taxed.

FOOTNOTES

[1] These states are: Alabama, Alaska, Arizona, Delaware, Indiana, Kentucky, Maine, Nebraska, New Mexico, Oklahoma, Tennessee, Texas, and West Virginia.

[2] "Regularity" herein being determined by specific state payment listed on at least one of the surveys which supports this research.

[3] ACIR, *The Adequacy of Federal Compensation for Federal Tax Exempt Land*, p. 22.

NOTE: In addition to those programs itemized in the preceding section, programs that compensate localities for state-owned property have been identified, but not verified, by other researchers. For example, in *The Free List—Property Without Taxes*, Alfred Balk lists the results of a questionnaire he sent to state governments. One of the relevant questions was, "Does the state pay a service charge or payments in lieu of taxes for certain types of property?" The affirmative responses would add several state compensation programs for public housing: Arkansas, Colorado, Maryland, Massachusetts,* Minnesota, Missouri, New Jersey,* Oklahoma, Pennsylvania, Texas, Utah, and Washington;* for fish and game preserves: Arkansas, Mississippi,* Pennsylvania,* South Dakota,* and Vermont;* for state parks: Vermont;* for state forests and timberland: Maine; and for port authorities: Arkansas, Mississippi, and New York.

* These payments were cited only indirectly in other surveys and research.

SOURCES: Survey of state source documents and conversations with state and local taxation officials; U.S. Advisory Commission on Intergovernmental Relations, *The Adequacy of Federal Compensation to Local Governments for Tax Exempt Federal Lands*, Table 3, A-68, Washington, DC, ACIR, 1978; EBS Management Consultants, Inc., *Revenue Sharing and Payments in Lieu of Taxes on the Public Lands*, Washington, DC, Public Land Law Review Commission, 1968; Kenneth T. Palmer and Roy W. Shin, "Compensatory Payment Plans in the States," *State Government*, vol. 48 (Autumn, 1975), pp. 216–219; The Library of Congress, Congressional Research Service, Report 1361 (unpublished), dated June 26, 1978.

Glossary of Terms

Actual Tax Rate: the tax rate, expressed in dollars per 100 dollars of assessed value, which is applied to all taxable property to determine each property's tax bill. It is derived by dividing the total tax levy (including local purpose, school district, and county taxes) by the assessed valuation of all taxable property in each municipality.

Appeal: the process whereby a property owner contests the amount of the assessed valuation.

Assessed Valuation: the proportional value of property as determined by the municipal tax assessor for taxing purposes.

Average Residential Property Tax Bill: the mean amount of property tax paid by residential property owners. It is calculated by multiplying the total assessed valuation of residential property by the actual tax rate, and dividing by the number of residential parcels.

Cash Assets: the value of all cash and investments held by the municipality at the close of each fiscal year.

Cash Liabilities: the value of the municipality's unpaid expenses at the close of the fiscal year.

County Tax Levy: the amount of taxes levied in support of the county budget. Each municipality's share of county taxes is based on its adjusted equalized value of taxable property.

Debt Service: an expenditure category which includes principal, interest, and other payments on the obligations issued by a local government.

Deferred Charges: an expenditure category which includes unbudgeted expenses, payments of prior year's bills, and charges deferred to future taxation.

Equalization Ratio: the ratio of assessed to true value of real property. It is based on the actual ratio of assessed value to sales price of properties sold in the two most recent sampling periods (sampling periods run from July 1 to June 30).

Equalized Tax Rate: the equalized tax rate is the tax rate which would apply if the property taxed were assessed at true value. It is computed by multiplying the actual tax rate by the equalization ratio.

Local Purpose Tax Levy: the amount of taxes levied in support of the municipal budget. It is determined by subtracting anticipated revenues (other than property taxes) from the total appropriations for municipal services and debt service.

Miscellaneous Revenues: a revenue category which includes delinquent tax and lien collections, business personalty replacement taxes, sales of acquired property, license and permit fees, court fines, interest on taxes, bank corporation business taxes, and other miscellaneous revenues.

Municipal Functions: an expenditure category which comprises expenditures for local administration (general government), municipal courts, public safety, public works, health and welfare, recreation and conservation, education (excluding schools), and statutory expenditures (pensions, F.I.C.A., employee fringe benefits).

Payments in Lieu of Taxes: a revenue category which refers to payments made by the state to local governments to partially compensate for tax revenues lost when the state acquires property.

Other Assets: the value of taxes receivable, tax title liens, forclosed property, deferred charges, state and federal receivable, and other receivables at the close of the fiscal year.

Prior Years Surplus Appropriated: a revenue category which denotes the amount of the previous year's surplus balance which has been applied to the current budget. All or part of the prior year's cash surplus may be applied to the current budget.

Public Utility Taxes: a revenue category which includes gross receipts and franchise taxes levied on public utilities.

Qualified Farmland: farmland which is assessed at its value for agricultural purposes only, rather than at market value, under the Farmland Assessment Act of 1964.

Ratable: taxable parcel of real property.

Reassessment: an important change in assessment practice, other than a revaluation, which results in a significant difference in aggregate assessed value, and which alters the assessed value of a large number of properties. A reassessment program is carried out by the municipal assessor.

Reserve for Uncollected Taxes: an appropriation in the municipal budget which is designed to compensate for expected losses of revenue due to tax delinquency or tax abatements and cancellations. It is computed by multiplying the current tax levy by the percentage of the previous year's levy which was uncollected.

Reserves for Receivables: an item included in the current fund balance sheet to offset unearned or uncollected receivables.

Revaluation: the mass reappraisal of all real property within a taxing district for the purpose of spreading the tax burden equitably among property owners. The revaluation is carried out by an outside professional appraisal firm in contract with the municipality.

School, County, Special District Taxes: an expenditure category which represents the amount paid by the municipality to the county, school districts, and special districts for the municipal share of these taxes.

Stipulated: the result of a property tax appeal in which the assessor negotiates a change in valuation without entering into the judicial process.

Surplus: the current fund balance as calculated by subtracting cash liabilities and reserves for receivables from total cash and other assets.

True Value of Real Property: the market value of real property, calculated by dividing the assessed value by the equalization ratio. The true, or equalized, value of property is used as the basis on which state school aid is distributed.
Also Full Market Value (FMV).

APPENDIX F

Report of Public Hearing Held to Receive Comments on Initial Draft Plan

A public hearing was held in Barnegat Township on August 26, 1982, to receive comments on the initial draft report of this study. Approximately 40 people attended the hearing, and eleven individuals testified. Written remarks were submitted by two of those testifying and are included as Exhibit F-1 and F-2.

The names and affiliations of those testifying are listed below in the order in which they spoke.

Damian Murray, Ocean County member of the Pinelands Commission
Philip Foley, resident of Woodland Township
Peter Hibbard, New Jersey Builders Association
Fred Smith, Lacey Township Administrator
Bernard Laufgas, resident of Barnegat Township
Joseph Ragatz, Barnegat Township Clerk/Collector
Margaret Peary, resident of Barnegat Township
Douglas Stefan, resident of Barnegat Township
Michael Lynch, resident of Beachwood
Rich Bethea, Bass River Township Treasurer
Vincent Phillips, resident of Woodland Township

As understood by the consultant, the major points expressed at the public hearing by speakers who did not submit written testimony were as follows:

Mr. Murray: It is important to address economic effects as well as environmental effects. We should determine the fiscal impact on Counties as well as townships, and the broader economic effects on the public sector.

Mr. Foley: Woodland residents are experiencing large ($50-$70/month) increases in tax bills. Trash disposal costs will go up if environmental regulations cause the landfill to close. The State cut back in employment is also adversely affecting Woodland residents.

Mr. Hibbard: Statement reproduced in Exhibit F-1.

Mr. Smith: Statement reproduced in Exhibit F-2.

Mr. Laufgas: We need to look at effects on Ocean County as a whole and make compensation by the State accordingly. Also, in the final analysis it is the economic effects on individual taxpayers that are most important.

Mr. Ragatz: Ocean County has been the fastest-growing County anywhere. Now there is a fall-off, in part due to the economy and in part due to the Pinelands Plan. A recent tax sale had 1,300 parcels from the Pinelands area because developers who had purchased them have lost confidence in the ability to use the lots.

Ms. Peary: Some of the so-called growth area in the Pinelands part of Lacey is not useful for development. The economy has exerted a more significant slowdown on growth than the Pinelands Plan. In the long range, it is likely that there will be fiscal benefits as this area, through its preservation, becomes more valuable.

Mr. Stefan: This study is just a beginning. A broader fiscal impact analysis should have been performed before municipalities were required to change their master plans.

Mr. Lynch: In general, Pinelands residents support the Plan although their elected representatives may oppose it. The area has survived on tourism but needs a more diversified economy.

Mr. Bethea: There have been some positive impacts, and some property values have increased. The Pinelands Plan is now in a transition phase, and change will be uncomfortable for some. In the past there has been a tendency to seek additional development to increase ratables and pay for the costs of previous development. This becomes a vicious circle and is not necessarily beneficial.

Mr. Phillips: This study is a good first step, but a broader economic impact analysis has been needed. Negative attitudes of some elected officials towards the Pinelands Plan do not reflect their constituents' feelings. Individual homeowners are experiencing significant hardship from big tax increases.

THE COALITION FOR THE SENSIBLE PRESERVATION OF THE PINELANDS

1000 Route 9, Woodbridge, NJ 07095 (201) 636-6100

TESTIMONY OF THE COALITION FOR
THE SENSIBLE PRESERVATION OF THE PINELANDS
ON THE DRAFT ANALYSIS OF FISCAL IMPACT OF THE PINELANDS
COMPREHENSIVE MANAGEMENT PLAN ON SELECTED MUNICIPALITIES

GOOD EVENING, MY NAME IS PETER HIBBARD AND I AM DIRECTOR OF ENVIRONMENTAL AFFAIRS FOR THE N.J. BUILDERS ASSOCIATION. I AM TESTIFYING ON BEHALF OF THE COALITION FOR THE SENSIBLE PRESERVATION OF THE PINELANDS, WHICH IS A GROUP COMPRISED OF BUILDERS, REALTORS, BANKERS, AND OTHER ASSOCIATED GROUPS HAVING INTREST IN REAL PROPERTY AND CONSTRUCTION IN THE PINELANDS.

THE DOCUMENT, QUITE PROPERLY, POINTS OUT THAT IT IS A RELATIVELY SUPERFICAL CASE STUDY OF THE EFFECT OF THE PINELANDS DEVELOPMENT RESTRICTIONS ON MUNICIPAL TAX REVENUES. SINCE ONLY FOUR MUNICIPALITIES HAVE BEEN EXAMINED, THERE WAS NO ATTEMPT TO EXTRAPOLATE THE RESULTS TO THE ENTIRE REGION. IN ADDITION, THE AUTHORS POINT OUT THAT THERE HAS BEEN NO ASSESSMENT MADE OF THE FINANCIAL EFFECT ON PRIVATE ENTITIES. WE URGE THAT SUCH A STUDY OF THE EFFECTS OF THE PINELANDS PLAN ON PRIVATE LANDHOLDERS BE UNDERTAKEN AT ONCE BASED UPON THE NEGATIVE IMPACT SHOWN BY THIS DRAFT REPORT OF THE PINELANDS ON MUNICIPAL REVENUE.

IN ANALYZING THE REPORT, ESPECIALLY WITH RESPECT TO HAMILTON TOWNSHIP, THERE APPEARS TO BE A LACK OF ANALYSIS COMPARING NET IMPACT UNDER THE PLAN TO ANTICIPATED REVENUES WITHOUT THE RESTRICTIONS IMPOSED BY THE PLAN.

THE DRAFT REPORT DOES APPEAR TO CONFIRM,EVEN IN THE SHORT TERM, SOME OF THE PREDICTIONS THAT WERE MADE WHEN THE PINELANDS PROTECTION ACT WAS BEING DEBATED IN THE LEGISLATURE. AT THAT TIME MUNICIPAL OFFICIALS FEARED THAT THE EFFECT OF THE PLAN WOULD BE A REDUCTION IN PROPERTY VALUES. THERE IS NO QUESTION ABOUT THE FACT THAT THE COUNTY TAX BOARDS,AS WELL AS MUNICIPAL ASSESSORS,RECOGNIZE THE DEPRESSING AFFECT OF THE PINELANDS PROTECTION ACT AND THE RESTRICTIONS OF THE COMPREHENSIVE MANAGEMENT PLAN ON PROPERTY VALUES.

THE REPORT HINTS AT LONG TERM IMPACTS, BUT THIS IS NOT WITHIN THE SCOPE OF THE STUDY AND HAS NOT BEEN PERSUED. THE LONG TERM IMPACTS,HOWEVER, MAY BE THE MORE SERIOUS AS RESIDENTS AND ABSENTEE OWNERS REALIZE THE IMPACT ON THEIR LAND AND SEEK REDRESS. THE REPORT SUGGESTS THAT,SO FAR, REDUCED PROPERTY VALUES ARE OFFSET BY INCREASED VALUE IN DEVELOPED AREAS OR DEVELOPABLE LAND. THIS IS SHIFTING THE BURDEN TO A SMALLER BASE AND CANNOT BE EXPECTED TO BALANCE FOREVER.

WE SEEM TO BE USING THE TERM "MUNICIPALITY" TO REPRESENT SOME GREAT ENTITY. WE ARE FORGETTING THAT WHEN WE REFER TO MUNICIPAL HARDSHIP, IT IS NOT SOME CORPERATE ENTITY THAT SUFFERS, BUT PEOPLE. IT IS LUDICROUS TO DEBATE WHETHER PEOPLE SHOULD BE COMPENSATED FOR HARDSHIP AS A RESULT OF GOVERNMENTAL ACTION, OR ONLY FOR EXTREME HARDSHIP.

UNFORTUNATLY,NEITHER THE LEGISLATURE NOR THE COMMISSION HAS HAD THE COURAGE TO THUS FAR ADDRESS THIS HUMAN PROBLEM. THIS REPORT STABS AT SOME OF THE VERY SERIOUS QUESTIONS INVOLVING EQUITY AND COMPENSATION FOR BOTH MUNICIPALITY AND LANDOWNER FOR THE LOSS IN PROPERTY VALUE CAUSED BY THE PINELANDS COMMISSIONS COMPREHENSIVE MANAGEMENT PLAN.

ALTHOUGH BOTH TIME AND SCOPE WERE LIMITED, THIS REPORT REPRESENTS AN IMPORTANT FIRST STEP, BUT THE COMMISSION HAS NOT GONE FAR ENOUGH IN THAT IT STILL REFUSES TO ADDRESS THE LEGISLATIVE DIRECTIVE TO ASSESS THE EFFECTS OF THE PLAN ON THE BENEFICIAL USE OF PRIVATE PROPERTY. THE REPORT HAS OFFERED NO ANSWERS BUT RAISES ADDITIONAL QUESTIONS.

THE PINELANDS PROTECTION ACT WAS TOUTED AS NECESSARY TO PRESERVE A RESOURCE OF STATEWIDE AND NATIONAL IMPORTANCE.IF ONE OF THE RESULTS OF THIS PROTECTION EFFORT IS THE LOWERING OF PROPERTY VALUES,IT IS ONLY FAIR THAT ALL OF THE CITIZENS OF THE STATE SHOULD BE INVOLVED IN COMPENSATING OWNERS OF PROPERTY IN THE PINELANDS WHOSE LAND VALUES HAVE BEEN ADVERSLY AFFECTED.

I THANK YOU FOR THE OPPORTUNITY TO TESTIFY THIS EVENING AND I WILL BE GLAD TO ADDERSS ANY QUESTIONS THAT YOU MIGHT HAVE.

Exhibit F-2

GOOD EVENING, LADIES AND GENTLEMEN. I AM FRED SMITH THE ADMINISTRATOR FOR LACEY TOWNSHIP WHICH IS LOCATED IN OCEAN COUNTY. I AM HERE TONIGHT REPRESENTING THE MAYOR, THEODORE J. HUTLER, ASSEMBLYMAN AND COMMITTEEMAN JORGE ROD, COMMITTEEMAN ANTHONY CUSANELLI, COMMITTEEMAN THOMAS WASKOVICH, COMMITTEE ARTHUR MIKLOSEY AND THE TAX-PAYERS OF LACEY TOWNSHIP.

I WOULD FIRST LIKE TO POINT OUT THAT LACEY TOWNSHIP PLAYS A MAJOR PART IN THE REPORT BEING DISCUSSED TONIGHT AND THE TOWNSHIP COMMITTEE IS VERY DISAPPOINTED THAT A MEETING OF THIS IMPORTANCE WOULD BE SCHEDULED ON THE SAME NIGHT AS OUR REGULAR MEETINGS, OTHERWISE, THE ENTIRE TOWNSHIP COMMITTEE WOULD BE HERE AND MAYOR HUTLER WOULD BE GIVING THIS PRESENTATION. ALSO THE COMMITTEE WAS CONCERNED ABOUT THE LACK OF TIME TO ANALYZE THE REPORT PRIOR TO TONIGHT'S MEETING. OUR COPY OF THE REPORT ARRIVED MONDAY MORNING GIVING US LESS THAN 4 DAYS TO ANALYZE I

FOR THOSE OF YOU WHO ARE NOT FAMILIAR WITH LACEY TOWNSHIP, IT IS LOCATED APPROXIMATELY 10 MILES NORTH OF HERE, HAVING AN ESTIMATED YEAR ROUND POPULATION OF 14,700 PEOPLE. SEVENTY THREE PERCENT (73%) OF LACEY TOWNSHIP IS EITHER IN THE FOREST OR PRESERVATION AREA OF THE PINELANDS. THE REMAINING 27% COMES UNDER THE RESTRICTION OF EITHER (CAFRA) COASTAL AREA FACILITIES REVIEW ACT OR THE WETLANDS ACT.

PRIOR TO THE 1981 PINELANDS ACT, PROPERTY VALUE WEST OF THE GARDEN STATE PARKWAY WAS ON THE RISE. TWO SMALL DEVELOPMENTS HAD BEGUN, ONE WITH ONE (1) ACRE PLUS LOTS AND THE OTHER WITH FIVE (5) ACRE MINIMUM LOTS. LARGE HOMES WERE BEING BUILT AND CAREFUL CONSIDERATION TO ENVIRONMENTAL ISSUES WERE BEING MADE BY THE TOWNSHIP PLANNING BOARD. NEW DEVELOPMENT IDEAS WERE BEING EXPLORED ON A LARGE LOT BASIS WHICH WOULD HAVE PERMITTED LACEY TO GROW WITHOUT DESTROYING THE VAST FOREST LANDS WITHIN THIS AREA.

SINCE 1979 ALMOST NO DEVELOPMENT HAS TAKEN PLACE IN THE PINELANDS AREA AND VALUES FOR UNDEVELOPED LAND HAS DECLINED WHICH IS REFLECTED PARTIALLY IN THE LOCAL PROPERTY TAX ASSESSMENTS. PRIOR TO THE 1981 RE-VALUATION, TAX ASSESSMENTS FOR VACANT LAND WEST OF THE GARDEN STATE PARKWAY RANGED IN VALUE FROM A LOW OF $700 PER ACRE TO A HIGH OF $4000 PER ACRE.

AFTER THE RE-VALUATION IN 1981 LACEY TOWNSHIP TAX ASSESSMENTS IN THE PINELAND AREA, BOTH FOREST AND PRESERVE DISTRICTS, RANGED BETWEEN $400 AND $700 PER ACRE FOR UNIMPROVED PROPERTIES. PRIOR TO THE RE-VALUATION AND DURING THE LATTER PART OF THE 1970'S LAND IN THIS AREA WAS SELLING FOR FROM $2,000/ACRE TO A HIGH OF $5,000/ACRE IN THE CEDAR CREEK FARMS DEVELOPMENT. PROOF OF THIS IS THE FACT THAT THE STATE DEPARTMENT OF ENVIRONMENTAL PROTECTION IS PURCHASING LAND IN THIS AREA NOW FOR FROM $1,100/ACRE FOR LOW SWAMP LAND TO $4,200/ACRE FOR GOOD UPLAND. THESE PRICES ARE BASED ON PRE-PINELANDS APPRAISALS. LACEY TOWNSHIP HAS 40,821 PLUS ACRES IN THE PINELANDS AND USING AN AVERAGE MARKET VALUE OF $2,500 PER ACRE, THIS WOULD BE $102,052.500. IN REAL VALUE. OUT OF THIS BASE OF 40,821, ONLY 32,294 ACRES WERE TAXABLE IN 1979, THEREFORE, THE ESTIMATED TAX BASE FOR PROPERTIES LOCATED IN THE PINELANDS AREA WOULD ACTUALLY HAVE BEEN $80,735,000. THIS TRANSLATES INTO AN INITIAL LOSS OF TAXABLE VALUE OF $21,317,500. FOR STATE AND LOCALLY OWNED LANDS. THE PRESENT DAY ACTUAL ASSESSED VALUE OF THE 32,294 ACRES OF UNIMPROVED PINELANDS IS $19,899,800. OR AN AVERAGE OF APPROXIMATELY $615/ACRE -- THIS IS A LOSS OF $60,835,200 IN TAX ASSESSMENTS OR A 14% DIFFERENCE OVER THE TOTAL RATABLES OF 440,000,00 BASE THIS ON THE PRESENT EXPENDITURES OF APPROXIMATELY $8,624,000. AND THIS AMOUNTS TO 24¢ DIFFERENCE ON OUR LOCAL TAX RATE.

AN ADDITIONAL POTENTIAL TAX LOSS OF $34,977,500. WHICH IS AN 11% REDUCTION OR AN ACTUAL TAX DOLLAR LOSS OF 4¢ ON $100. OF ASSESSED VALUE.

THESE FIGURES SEEM VERY INSIGNIFICANT BECAUSE LACEY TOWNSHIP HAS A NUCLEAR POWER FAMILITY WHICH GENERATES MILLIONS IN GROSS RECEIPTS TAXES FOR THE TOWNSHIP. BUT EVEN WHEN CONSIDERING THE ADDITIONAL MONIES GENERATED BY THE POWER PLANT, LACEY TOWNSHIP CAN STILL SHOW A 14% LOSS IN REAL ESTATE TAX REVENUE DUE TO PINELANDS LEGISLATION. USING THE APPROXIMATE $8,624,000. REVENUE FIGURE THAT TRANSLATES INTO $1,035,000. OR $120 ADDITIONAL TAXES PER YEAR FOR AN ASSESSMENT OF $50,000. and $10 MORE AFTER THE STATE ACQUISITIONS.

FURTHER IT SHOULD BE POINTED OUT THAT REAL ESTATE VALUES HAVE NOT INCREASED OVER THE PAST 3 YEARS AT ANY LEVEL PRIOR TO 1979. THE REPORT SUGGESTS THAT, BECAUSE OF THE RESTRICTIONS WEST OF THE GARDEN STATE PARKWAY, THERE WOULD BE AN INCREASE IN VALUE IN PROPERTIES EAST OF THE PARKWAY. QUICKLY THE REPORT MENTIONS THAT ALL PROPERTIES IN LACEY TOWNSHIP, OTHER THAN THE PINELANDS, FALLS UNDER CAFRA, (THE COASTAL AREA FACILITIES REVIEW ACT) NOT TO MENTION THE WETLANDS ACT. BOTH OF THESE STATE LAWS RESTRICTS OR PREVENTS DEVELOPMENT OF THE REMAINING PROPERTIES IN LACEY TOWNSHIP.

PART OF THE STABLIZATION OF REAL ESTATE VALUES IS CAUSED BY THE PRESENT ECONOMIC CONDITIONS, BUT AN ADDITIONAL PART CAN BE ATTRIBURED TO THE LOSS OF JOBS RALATED TO DEVELOPMENT WHICH HAS BEEN CHASED AWAY FROM THIS AREA BY OVER REGULATION.

LACEY TOWNSHIP HAS BEEN LEFT WITH VIRTUALLY NO LARGE TRACTS OF LAND FOR FUTURE EXPANSION. WHEN THE ORIGINAL PINELANDS PLAN WAS CREATED, A STUDY OF USABLE PROPERTY EAST OF THE GARDEN STATE PARKWAY SHOULD HAVE

BEEN CONDUCTED. INSTEAD, BY THE USE OF PURE MATHEMATICS, A NUMBER WAS ARRIVED AT FOR USABLE BUILDING LOTS BY TAKING THE AMOUNT OF UN-IMPROVED ACRES AND DIVIDING BY NUMBER OF UNITS PER ACRE PERMITTED IN THAT ZONE.

IF AN ANALYSIS OF UNIMPROVED LAND HAD BEEN MADE IT WOULD SHOW THAT EAST OF THE PARKWAY IN LACEY TOWNSHIP THERE ARE SEVERAL LARGE TRACTS OF LAND OWNED BY J.C.P. & L. WHICH FALLS WITHIN THE TWO MILE RESTRICTED AREA OF THE OYSTER CREEK NUCLEAR POWER PLANT. IT SHOULD ALSO BE POINTED OUT THAT THE ONLY RURAL GROWTH AREA GRANTED TO LACEY TOWNSHIP IS LOCATED WITHIN THIS TWO (2) MILE LIMIT, THE ONLY ACCESS IS OFF OF ROUTE 532 IN OCEAN TOWNSHIP AND A PORTION OF THE PROPERTY IS FRESH WATER WETLANDS ALONG OYSTER CREEK. VACANT LAND LOCATED ON THE EAST SIDE OF ROUTE 9 BETWEEN NAUTILUS BLVD. ON THE SOUTH AND LAUREL BLVD. ON THE NORTH, CONSISTS OF LARGE AMOUNTS OF WETLANDS, WITH THE REMAINDER BEING FOR THE MOST PART BELOW 10' ELEVATION WHICH REQUIRES SPECIAL CAFRA APPROVALS. REMAINING TRACTS OF LAND WEST OF ROUTE 9 AND NORTH OF LACEY ROAD ARE DEVELOPABLE EXCEPT FOR VERY EXPENSIVE OFF-SITE DRAINAGE WHICH MUST BE COMPLETED BEFORE DEVELOPMENT CAN CONTINUE BEYOND WHAT EXISTS TODAY.

THE TOTAL IMPACT ON AREA COMMUNITIES CANNOT ONLY BE SHOWN IN LOST RATABLES FOR TAX PURPOSES. THERS IS THE SLOWING OF RESIDENTIAL DEVELOPMENT BECAUSE OF OVER REGULATION BY THE STATE. THE LOSS OF JOBS FOR PLUMBERS, ELECTRICIANS, CARPENTERS, MASONS AND MANY OTHER RELATED WORK BUSINESS WHICH MUST BE CONSIDERED IN AN IMPACT STATEMENT SUCH AS THIS.

THE REPORT COMPARES THIS AREA TO STATE STANDARDS FOR ITS ANALYSIS. OVER THE PREVIOUS DECADES OUR AREA HAS GROWN TREMENDOUSLY. TO SAY THAT OUR TRENDS ARE FOLLOWING CLOSELY THE TRENDS OF THE STATE, OR THAT

WE ARE ONLY SLIGHTLY BELOW THOSE OF THE STATE IS MISLEADING. WE (I'M TALKING ABOUT OCEAN COUNTY) HAVE LEAD THE STATE IN EVERY POSITIVE GROWTH CATEGORY OVER THE PAST 20 YEARS. FOR ANY COMMUNITY IN THIS AREA TO BE EQUAL OR SLIGHTLY BELOW STATE AVERAGES FOR GROWTH, BUILDING, ETC. WOULD BE A MAJOR REDUCTION IN ACTIVITY, NOT A SLIGHT CHANGE AS THE REPORT WOULD HAVE YOU BELIEVE.

THE LACEY TOWNSHIP COMMITTEE HAS CONTINUED IT OPPOSITION TO THE PINELANDS PLAN BY STAYING IN NON CONFORMANCE. MAYOR HUTLER, ASSEMBLYMAN ROD AND OUR TOWNSHIP ENGINEER HAVE HAD SEVERAL MEETINGS WITH THE PINELAND COMMISSION ON THE POSSIBILITY OF OBTAINING ADDITIONAL REGIONAL GROWTH AREA. IT HAS BEEN AND CONTINUES TO BE THE COMMISSION'S POSITION THAT THE SECTION WEST OF THE GARDEN STATE PARKWAY AND SOUTH OF LACEY ROAD WHICH IS NOW DESIGNATED FOREST AREA, MAY BE DEVELOPED IN THE FUTURE BUT ONLY WHEN LACEY TOWNSHIP CAN SHOW A SATISFACTORY NEED. LACEY TOWNSHIP FEELS THAT NEED IS NOW SO WE CAN PLAN FOR THE FUTURE. IT IS ONE THING WHEN LAND IS DESIGNATED UNUSABLE BUT THE COMMISSION AGREES THAT IN THE FUTURE THIS LAND COULD BE DEVELOPED BUT THEY FEEL THAT THE TAXPAYERS OF LACEY TOWNSHIP ARE UNABLE TO DETERMINE FOR THEMSELVES WHEN THIS DEVELOPMENT SHOULD TAKE PLACE.

WHAT I'M TRYING TO EXPLAIN IS THAT LACEY TOWNSHIP MUCH LIKE BARNEGAT TOWNSHIP IS CAUGHT IN MID CYCLE OF DEVELOPMENT. WE'RE LARGE ENOUGH TO HAVE MAJOR EXPENDITURES FOR EDUCATION AND PUBLIC SERVICES BUT TOO SMALL TO ATTRACT THE LARGE COMMERICAL AND LIGHT INDUSTRIAL RATABLES TO OFFSET THESE COSTS. OUR ONLY HOPE FOR FUTURE GROWTH IS WEST OF THE GARDEN STATE PARKWAY, ON A LAND AREA WHICH IS LARGE ENOUGH TO ATTRACT A MAJOR DEVELOPER. WITHOUT THIS POTENTIAL THE FUTURE GROWTH OF LACEY TOWN-

SHIP WILL BE STUNTED AND THE RESIDENTIAL TAXPAYERS OF THE TOWNSHIP WILL BE FORCED TO FOOT THE BILL WITHOUT A SAY IN THEIR FUTURE.