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# ***Task Force Meeting***

of

## ASSEMBLY TASK FORCE TO STUDY THE FAIR HOUSING ACT AND STATE PLANNING ACT

*“Testimony from diverse groups, as well as citizens, concerning the goals  
and actual implementation of the Fair Housing Act and State Planning Act”*

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**LOCATION:** Committee Room 1  
State House Annex  
Trenton, New Jersey

**DATE:** June 19, 2001  
2:00 p.m.

**MEMBERS OF TASK FORCE PRESENT:**

Assemblywoman Connie Myers, Chairwoman  
Henry L. Kent-Smith, Esq.  
Christine Marion, P.P.  
Mayor Martin L. Pagliughi  
Mayor Alfred W. Schweikert, Ph.D.



**ALSO PRESENT:**

Joyce W. Murray  
Robert C. Rothberg  
*Office of Legislative Services*  
*Task Force Aides*

Deborah K. Smarth  
*Assembly Majority*  
*Task Force Aide*

*Meeting Recorded and Transcribed by*  
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Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

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**ASSEMBLYWOMAN CONNIE MYERS (Chairwoman):** Okay.

We'd like to get started, please.

If you have not filled out a slip, and you would like to testify, if you could fill one out and hand it to Joyce, that would be really helpful so we can kind of gauge the timing. I'm sorry that we're starting 15 minutes late.

There are a couple we have who need to leave by 3:00, and I'd like to call them first, except that I do want to defer to Helen Heinrich, because she went to the hearing in Hunterdon County that we ended up canceling and went out of her way.

So, Helen, if you want to go first, you may do so. Otherwise, the ones that have to leave early will go.

Do you want to go first, or do you want to-- (negative response)

Okay, then we're going to start with Peter Abeles.

Good afternoon.

**P E T E R A B E L E S:** Good afternoon, Ms. Myers.

How much time would be appropriate?

ASSEMBLYWOMAN MYERS: Well-- (laughter)

MR. ABELES: I have a five-minute and a ten-minute presentation.

ASSEMBLYWOMAN MYERS: I don't think we're going to cut you off--

MR. ABELES: Well, why not try the five?

ASSEMBLYWOMAN MYERS: --unless you get to be repetitive. So why don't you just tell us who you are and why you're here and then what you would like -- what ideas you have that you'd like the Task Force to consider. And let's go from there.

MR. ABELES: Okay. My name is Peter Abeles. I'm a planner in New Jersey since 1969. I've been involved in affordable housing since that date. I was directly involved in both the development of and the legal case called Greater Englewood -- Factors -- Degree GHC. I was involved in a DCA study which led to the magical 20 percent number in 1972. I was involved, on behalf of Madison, in the Oakwood at Madison. And then I was involved in both *Mount Laurel I* and *Mount Laurel II* as one of the experts testifying in that case.

I add just a little bit more to what I bring. I've been active as a developer, as well as a planner, both in point of building, developing, managing, housing, both low and conventional housing. And I had the good fortune of being involved in working on a national housing plan for 15 or 20 years. So I can sort of sometimes see a macro aspect to this kind of issue.

Enough said.

I'd like to talk about two issues. I've selected these two not because they're any more important or less, but I think these are the kinds of issues which are not normally visible to both the Legislature, to COAH, and to many of the professionals who worked in the affordable housing field from the point of view of both policy and implementation. This is the kind of stuff that you see when you get out there and have to deal with it.

The first one I want to talk to is the RCA, particularly in large urban areas, and how it relates to the State Plan. Much of the State Plan is dependent upon using the existing urban areas as a major source of future development. Let me suggest to you there's a major problem with that or at least a problem that you ought to consider.

Now, my numbers are my own speculations. If they're wrong -- too wrong, please bear with me. But my estimate is that about one-third of all the RCAs have been used in what I would call the large, high-density, urban areas. Figuring \$22,000 in RCA-- That's about \$28 -- \$29 million.

Here's what I've seen. I'll just be very brief, and I will not mention the block or the lot or the city, because I think that's not fair. But I will tell you that I've seen, in a number of large urban areas, new housing built with the assistance of RCA already on their way down the hill to loss. My latest one was in a city where the porch was falling off. And I looked at it. There was a big for sale sign made by somebody -- homemade. So I stopped. I said, "What's the story?" The lady who owned the house said, "I'm dying to sell the thing. It's falling apart around my knees, and I can't afford it." Then I asked the question, "How did you get it?" "Oh, this was a home owners' program through the RCA," or she had some idea of that.

And I've seen numbers of cases of that. That's an isolated one, which, if I had the nerve, I would have brought you a photograph, but perhaps that's not the right thing to do in these circumstances. But I will tell you that if you go and look at some of the RCAs, not in Hightstown or let's say Freehold, but the larger, major urban areas, you will begin to see something's amiss. And I haven't touched all upon the rehabilitation, because you can't see that, but I've got a gut feeling that if it's a problem with the new, it's going to be an even more serious problem with the old.

What is going on? Part of it is, we're rebuilding mistakes of the past. We're building these homes at densities of 15 to 20 through the acre, which, except for high-quality New York town houses, which go for \$1 million

or 2, that kind of pattern for lightly built homes costing \$60 or \$70 per square foot doesn't work well, and doesn't work well especially if they're difficult to maintain, and especially if the families who have these homes have limited resources to overcome the nickel and dime problems which become dollar and ten dollar problems in five years.

Let me give you a couple of-- Well, another-- Skip past that.

The siting of many of these developments are quite logical from a city's perspective. "Hey, there's some empty lots. Great. We have a site." But what no one takes into account -- the reason the lots are empty is, the neighborhood is burning.

And if you think, Madam Chairwoman, that that is an exaggeration, I'd be glad to take any staff member, one on one, someday, to a nice RCA development where you can smell the smoke. And in the year that I've worked in that area on two different matters, I'd say 20 or 30 percent of the housing -- the old housing built 40 or 50 years ago -- 80 years ago has gone.

Now, which member of the committee would like to get an investment in a brand new house -- inexpensive -- in an area which is burning? May I see any hands?

ASSEMBLYWOMAN MYERS: Can I interrupt you, Mr. Abeles?

MR. ABELES: Yes.

ASSEMBLYWOMAN MYERS: This Task Force is looking to determine the impacts of the Fair Housing Act and the State Planning Act over the last 15 years since those acts were passed by the Legislature. We're also looking at whether we should recommend to the full Legislature, the Senate and the Assembly, changes to those two acts.

What you are primarily talking about is the implementation of housing programs. And I don't think that is really within the purview of this Task Force.

MR. ABELES: Okay. Let me--

ASSEMBLYWOMAN MYERS: I think you'd be better off addressing those concerns to DCA Commissioner Jane Kenny or Shirley Bishop, who I see here in the back, who is Director of the Council on Affordable Housing.

MR. ABELES: I bring these to you because I thought it was related, because a good part of the State Plan depends upon the utilization of our old urban structures.

I'd like to suggest to you that if we continue to use RCA moneys without closer attention to how they're used in those structures, you may get a far less utilization from what I consider scarce resources.

But Madam Chairwoman, I think your point's well-taken. Let me go to Act 2, if I may, which I think is much more direct, although I like Act 1, because it's something that no one seems to see and, as you say, does need some dealing with.

I'd like to talk about two towns and their relationship to the State Plan and fulfillment of the *Mount Laurel* obligation. Let me give you a description. In Marlboro -- obligation -- 1000 unit -- roughly -- pretty good growth -- 300 percent growth in the last 30 years -- not shy. When it started growing in 1970, it had five residential zones. Now it has 31. Again, another one, Manalapan -- 14,000 in 1970, 34,000 today. It has 16 residential zones.

I didn't have a 1970 zoning ordinance, therefore I don't know, but I suspect-what's going on.

The use of zoning in towns which are the art in the Zone 2 and Zone 3 areas, I think, is being used in a way that the State Plan never intended. If you look at the history of the zoning changes in both these towns, and they're not hard to find, you realize that when you have 31 changes in a span of let's say 15 years, what the communities are doing is ensuring, by giving the appropriate zoning, that the conventional housing is built as quickly as possible. And at the end of the day, you can't get close to anywhere nearing the obligation. And I recommend just these two. I can give you another dozen. But these are so striking, and the numbers are so good, that you have to scratch your head and say how did they get away with it.

Now, what happens-- The communities in question have taken a very pro-conservation attitude and pro-agriculture attitude. And the State Plan does now become sacred. If you're in the R-3 or R-4 -- no development. Nothing can happen. Although, mathematically, if you look at these towns, the land has been consumed -- that they will never, ever come close to their current obligations. And the question becomes, where do you put the obligation. The answer is, it's very difficult.

Madam Chairwoman, let me be very brief and cut to the quick and let other people speak. I think there's a significant problem in the areas of very substantial growth in what the State Plan sees in 3 and 4 and 5 or 3 and 4. And a number of communities -- I mentioned two; I can give you a few more who have gone deep into agricultural conservation, although there are no more farmers left -- have used planning policy as a means of making sure nothing else

happens. That, I think, is a very unintended and very awkward problem produced.

I have a recommendation, Madam Chairwoman, if I may. I think you can -- somebody could cleverly come up with guilty or nonguilty towns, i.e., what have you done for us in the last 20 years, not in terms of zoning for the conventional, but the needs to the State. And if you don't need reasonable criterias, I think the State Plan should say 3 or 4 -- it's open, as long as it involves 10, 15, 20 percent. That way, you may get a little bit of what's needed yet to be done. But if that does not happen very quickly, the total need, in terms of the total housing stock from a State point of view, will be very substantially affected, because that housing stock out there has an effect throughout the entire housing economy. If you don't get it, you make things even worse in the central cities.

I've reduced three pages of outline, I hope, to a brief insight into what's going-- And if you have any questions, I'd be glad to try to answer them.

ASSEMBLYWOMAN MYERS: Al.

MAYOR SCHWEIKERT: Thank you for your talk. My first question to you would be, you seem to have a problem with RCAs. Do you have another suggestion besides RCAs?

MR. ABELES: Yes. I think when you use the RCAs-- First, one is contrary to the Chairwoman's suggestion I stick to the point -- but if I may slip it in, use the RCAs not to put a Band-Aid on what is already bleeding, but allow the RCAs without the total commitment to the income requirement to be used with a patient. May I give you one example? (affirmative response)

The Weequahic area of Newark-- I'm sure everybody knows that area. It's probably one of the best housing areas the State has ever produced. Now you can find nicely boarded up houses and the beginnings of the smell of smoke. You know, there's about 8000 housing units in that southern part of that city. If you use the RCA there, in a much more flexible way, I think you have a chance of saving Weequahic and saving not just those which are boarded up, but ultimately 8000 or 10,000 units which are in there, because the disease is not a slow growing disease like coronary arteries -- you have to eat bad beef for 10, 20 years -- it's like a heart attack. When one of those areas go -- four or five houses -- puff, it's gone. So my first suggestion -- the RCA -- use it in a much more specific way.

Secondly, there are towns which work very well in terms of the State Plan. Let me give you one which I'm fortunate enough to be familiar with since I've had an office there for 20 years. Hightstown has all the ingredients, I think, of substantial growth. It's got tremendous housing resources. It's got a best location, probably, in the state, but it's had very little real growth. And one of the problems as a result of it is that their moderate income housing -- frame housing -- 80 or 90 years old -- beginning to sag.

And I suggest to you, Mayor, that maybe you ought to look at using some of that money to uplift those homes and hold that stock, because again, it's not just the 20 or 40 or 50 homes that you do something with, it's the entire -- because you can take Hightstown and make it into a Princeton, and you know what happens then.

So that's the relationship -- the RCAs. You've got to use them, I think, more effectively.

MAYOR SCHWEIKERT: Let's talk about Hightstown.

MR. ABELES: Yes.

MAYOR SCHWEIKERT: I believe they have a large amount of pre-1980 housing stock within the town -- older houses.

MR. ABELES: I would say pre-1900 would be probably also accurate.

MAYOR SCHWEIKERT: Okay. Do you believe those should be made part of their COAH numbers?

MR. ABELES: No, that's not the criteria. The problem is that Hightstown may have a very low COAH number in respect to people who are economically the one-third. It may have a large number of housing, which is physically below the one-third. And I think this committee-- I'm not that smart to think on my feet and tell you what I think the answer is. But you raise, I think, the basic question. How do you use, from a broad State policy point of view, your dollars to preserve the larger stock and prevent the kinds of-- Asbury Park, for example, is a brilliant example. Who would have said Asbury Park would have gone 30 years ago? No one, but it did. And we did nothing, and we could have.

So let me leave that, because I think the second issue -- the towns which are misusing planning and the State Plan -- probably more direct to what you need to be dealing with, because there the large numbers are involved. I don't know what these two towns I mentioned actually did, but I would venture to say out of the 1700 units they were obligated-- I'd be surprised -- RCAs and everything together -- 200 or 300.

Question, Madam Chairwoman: Where did the other 1400 go to, or where will they go to when the land is gone? (no response)

Can I give you one more vignette on that -- how that policy -- also-- (affirmative response)

One town -- I won't mention it -- use -- that we had a *Mount Laurel* project way off in the 4 zone -- calls DEP and gets a special exemption for -- I think it was like a mile of fresh sewer line -- great -- 20 or 30 *Mount Laurel* house-- The minute that happened, they lifted that *Mount Laurel* zone out of the plan, and lo and behold, the sewer line ran through 200 new single-family homes -- \$300,000. I think you've got to look at what's going on sometimes in how the State Plan is used and, I think, misused.

MAYOR SCHWEIKERT: Thank you.

ASSEMBLYWOMAN MYERS: Henry.

MR. KENT-SMITH: Following up on the RCA, because I think that's one of the things the Task Force has thought very much about, is the general endorsement of the RCA concept.

What you were talking about with the section is having the Legislature endorse use of RCA money not so much to create new housing in depressed areas, but to preserve housing stock that's about to go. Is that where you -- the direction--

MR. ABELES: Mr. Henry Kent-Smith, let me add one more to what I think is a good way of framing it. Preserve housing stock where there's mass new employment. Again, Hightstown -- a major area of growth along the New Jersey Turnpike -- distribution warehousing -- ideal source of production jobs for families which are in the low moderate.

So take those two factors together -- preservation (indiscernible) and statewide policy and directing RCAs not where there are no work, bad schools, bad utilities, and God knows what else, but where you and your family might want to live if you got a chance on the way up the ladder. I think that should be the homespun criteria.

MR. KENT-SMITH: Are you then saying to not utilize RCA money in the urban centers? I mean, there's some policy benefit, isn't there, Peter, to utilizing RCA money to help rehab and create new housing stock where it is most dilapidated and in most dire need of help, isn't there?

MR. ABELES: Henry, I think you're going to have to get used to the point that sometimes it's beyond help. I mean, in the South Bronx -- and you followed Father Giordano's (phonetic spelling) progress there for the last 20 or 30 years -- had to go to the bottom before it could go to the top. Now it's moving up.

I'm suggesting in the hard-core, rapidly declining major urban areas, where you've got 20 or 30 percent vacancy fire rates -- don't touch that. Those parts of those same cities where \$25,000, \$50,000, \$200,000 -- Trenton has those areas -- would really make a difference, maybe use that money to put in the sidewalks. I don't know. But you got to redirect those very scarce resources, because putting them simply where the land is or -- and I would also add community pressure is or builders' pressure is, because this is a way of making money -- has to be avoided, because those dollars are very precious, and you're not going to get them anymore. It's not like coming out of the State Legislature, it's part of a process which, ultimately, will end.

MR. KENT-SMITH: Let me follow up--

MR. ABELES: Am I being to obscure?

MR. KENT-SMITH: No, I think I follow where you're going.

On the Marlboro-Manalapan-- And I think this is something of utmost importance -- is your recommendation in your statements regarding towns that have high obligations but haven't been affected in meeting-- What would be your recommendation to the Legislature as to how to address those municipalities? What would you say that we-- What should we do?

MR. ABELES: Reevaluate Tier 3 and 4, specifically for public purpose, to ensure some level of *Mount Laurel* satisfaction and a better housing inventory.

Let me put it this way. If you want-- I spent a couple of-- I spent a day down in Salem -- Gloucester -- that area. There are parts to the state which are perfect for 3, 4, and 5 -- great farming areas, great soils. Farmers don't even want to sell. But the use of 4 and 5 where there is no alternative use for the land-- Wall, for example-- They're zoning the bottom part of Wall for farming. There's seven farmers left in Wall. Hey, who's going to do it?

That-- I think you have to have a reviewing of the State Plan and saying on the 3s and 4s it's not growth 20 years from now, it's growth right now, and send a message to towns that you can't use a skirt of the State Plan.

MR. KENT-SMITH: Thank you.

MR. ABELES: That's what's happening.

ASSEMBLYWOMAN MYERS: Are you finished?

MR. KENT-SMITH: Yes, thank you.

ASSEMBLYWOMAN MYERS: Christine.

MS. MARION: Make sure I'm right here--

Again, another thing the Task Force is grasping with is how do you define need and if there is a need to redefine need.

What is your opinion on that in terms of how you calculate housing need?

MR. ABELES: I'm not that smart. (laughter) And I wouldn't dare take on such, I think, basic questions in a flippant manner, because that's all I can do right now. I think, in a state like New Jersey, where there is a great growth in areas of actually decrease and how to have a housing inventory which works and keeps the State economically viable, which is one of the great assets, is a much more complicated question than, I think, I'm capable of answering here. I'm dodging it intentionally. I think it deserves much more.

MS. MARION: Thank you.

That's all I have.

ASSEMBLYWOMAN MYERS: Mayor Pagliughi.

MAYOR PAGLIUGHI: I don't have any questions.

Thank you, sir.

ASSEMBLYWOMAN MYERS: Thank you very much for your testimony.

MR. ABELES: Thank you very much.

ASSEMBLYWOMAN MYERS: Okay. Now I have one more person who has told us that he has to leave before 3:00. Is there anyone else that has to leave before three? (no response)

Okay, then, Art Bernard.

**A R T B E R N A R D:** Good afternoon.

ASSEMBLYWOMAN MYERS: Good afternoon.

MR. BERNARD: I think I know most of you. For those of you who don't know me, my name is Art Bernard. I'm a licensed professional planner in the State of New Jersey with 25 years experience. I've been involved in implementing the *Mount Laurel* decision in one way or another since 1983 or 1984. I served COAH as its Deputy Director and its Executive Director for an eight-year period. Since 1994, I have been a land use consultant. A lot of my practice is in dealing with low and moderate income housing issues, both for towns like High Bridge and for developers. And I also serve the court as a master.

I'm here today because I was asked to come. I don't have anything in particular to say. I can give you an overview of how I think the Fair Housing Act works and some issues with regard to the State Plan. And I can do that, or I could just answer questions you might have. I can go any way you would want to go.

ASSEMBLYWOMAN MYERS: You asked him to come?

MR. KENT-SMITH: Yes.

ASSEMBLYWOMAN MYERS: Okay. Do you want to--

MR. KENT-SMITH: Thank you.

Art, I appreciate you coming today. I had asked you to come down because I thought your insight would be particularly valuable to this Task Force, especially in your position of having been one of the implementors of the Fair Housing Act and the creation of COAH and its initial obligations.

MR. BERNARD: Thank you.

MR. KENT-SMITH: I think the questions I have go along the lines of your experience in COAH and where we are today in terms of affordable

housing. I guess the first question has to do with something that has been a topic of mine for a number of years since the adoption of the memorandum of understanding in 1993 between COAH and the Office of State Planning. And that has to do with the allocation of prospective need or regional obligations to municipalities which, historically, have never demonstrated any growth -- are primarily agricultural in nature, and as such, in the *Mount Laurel I* and *Mount Laurel II* context weren't considered to be growth communities with an affordable housing obligation at all.

What is your view -- understanding of the '93 memorandum of understanding, and what's your experience of its implementation?

MR. BERNARD: Well, my understanding-- The memorandum of understanding is based on a principle that was announced in the State Plan that every municipality in the state can, and probably will, grow, and that as it grows, some portion of the housing -- the growth should be for low and moderate income housing, and that each community should be in these -- Planning Areas 3, 4, and 5 now -- should target a small area called the center, in which they would accommodate that growth. And that's where the low and moderate income housing would take place. And my experience is that every community has low and moderate income households who either live in it or would like to live in it.

I live in Lambertville. And those of you who know Lambertville know it's a densely populated little town. It's gentrified quite a bit. We have some significant housing problems. We have a lot of low and moderate income people that are looking for housing. Some of them are living in cars. And I know that if you look at the census information throughout the state through

any community, you will find that over 25 percent of the people that live in the town -- not that want to live in the town, the people that live in the town -- are what HUD would call cost burden, that is, they're paying more than 30 percent of their income on shelter.

So I'm very supportive of this concept that every community has a -- should have some sort of obligation. And in terms of implementing it, what we tried to do in 1994 was to try to target the low and moderate income housing obligation in a way that was compatible to what the State Plan's vision was for the State so that most of that housing obligation went into Planning Area 1 and Planning Area 2. Much less went into Planning Area 3, and much, much less went into Planning Areas 4 and 5. So the housing obligations are relatively small in the rural areas.

Now, relative is a relative word. And some towns don't think a 40-unit obligation is a small obligation. But I think that's one of the problems you have when you have a housing obligation, which is a regional need, and, by definition, is big and you're trying to assign it to individual communities through a formula. We struggle with it. We use all kinds of models. And I think what we came out with was the best we could do using a formulated approach.

In terms of actually getting the housing built, I'm aware of some towns in the rural areas who have received substance certification and are moving on. Some were sued and are building housing. For a town with an obligation of 30 units or so, it's relatively easy to address the housing obligation through a program of collecting development fees -- if they don't really want to

accept the growth, paying for a regional contribution agreement-- And COAH even allows accessory apartments to be constructed within the community.

So towns that have chosen to plan have found relatively painless ways of addressing the housing obligation. Now, that's a generalization.

MR. KENT-SMITH: Doesn't that presume, though, that municipalities would approve centers, would zone or plan to create centers in order to address the obligation? What if these towns don't want to do that? I think history has shown that centers are not being created.

MR. BERNARD: That's true. And what has happened, for example, in Green Township, which chose not to create a center-- I was involved in a lawsuit. And we're in the process of getting relief in that community.

The memorandum of understanding is like a two-edged sword. If you do the things that-- If you comply with the housing obligation and conform with the State Plan, which really-- And really, for those of you who aren't that familiar with the memorandum of understanding-- From COAH's perspective, as far as I'm concerned, the idea behind the memorandum of understanding was try to find sites that had sewer. The idea was we'd create a center because we think the center is going to be important in getting sewer. So, if you comply with the housing obligation in the rural areas and put it in a center so we can get sewer there, you're fine. And you're really not subject to litigation. Someone can always sue, but it's not really going anywhere. And if you don't do those things, then you're subject to litigation like every other community in the state.

MR. KENT-SMITH: Doesn't it then become a self-fulfilling prophecy? If a municipality is opposed or wants to preserve farmland or wants

to preserve its rural nature and doesn't -- is not able to plan alternative means of compliance with *Mount Laurel*, because either they don't have the money for RCAs or it's simply an unacceptable -- or unacceptable burden to the taxpayers, haven't you then created the very tool to provoke sprawl that we're trying to deal with here, which is utilizing a builders' remedy lawsuit to impose on a rural municipality a development that they don't want?

MR. BERNARD: Well, to some extent, Henry, the rural community finds itself in the same position that all the other communities in the state have found themselves in for the last almost 20 years. I mean, there are plenty of communities in Planning Areas 1 and 2 that didn't want this housing and had to deal with it. A lot of these communities were blindsided in 1983. High Bridge was one of them. I was involved in High Bridge at the time. And the communities just had to deal with it.

The advantage that the rural communities have now is that they have the time and the ability to plan. And they can find a spot, if they choose to. Yeah, they're going to have to accept -- they might have to accept a little growth, but--

I represent Piscataway, who zoned for 900 low and moderate income units and has had to deal with all that growth. I've heard communities -- some community leaders in the rural areas talk about, "Open space is important in our town," where they're lucky enough to have a lot of open space. In places like Piscataway and some of the other communities that I represent, including High Bridge, open space is really precious. And part of it is because they've had to accept all this growth over the years.

So I understand the concern, and I respect the concern. But from the other hand, this is -- it is a statewide housing obligation. It is important. People need a place to live. And I think if a community works with the State Planning Commission and COAH, they can find a spot at a crossroads -- at a center, within accessory apartments. They can adopt a development to the ordinance that can help them fund their transfer out to another community.

In most cases, it's doable. Again, I would be the first to admit that when you're dealing with a formula and assigning numbers to a community based on a formula, you're going to have things that, maybe to an outsider, don't make sense. Or maybe when you're implementing the rules in a specific community, there are some perceived inequities. I've seen it. It happened when I was there. It's happened since I left.

But in terms of the rural communities addressing the housing obligation, I have no problem with that.

ASSEMBLYWOMAN MYERS: But, Mr. Bernard, you started out talking about Green Township, and I don't recall that you followed up. What happened in Green Township?

MR. BERNARD: There was litigation.

ASSEMBLYWOMAN MYERS: But is it settled?

MR. BERNARD: No, it's--

ASSEMBLYWOMAN MYERS: They didn't want a center.

MR. BERNARD: We're still working our way through it.

ASSEMBLYWOMAN MYERS: So they didn't want a center.

MR. BERNARD: They decided they wanted a center somewhere else after we sued.

ASSEMBLYWOMAN MYERS: Who's we?

MR. BERNARD: After my client sued.

ASSEMBLYWOMAN MYERS: Who is your client?

MR. BERNARD: My client is Trinca Airport, in Green Township.

ASSEMBLYWOMAN MYERS: Okay. The airport was going to sue under a builders' remedy.

MR. BERNARD: Trinca sued under a builders' remedy -- offered to build low and moderate income housing on the site.

ASSEMBLYWOMAN MYERS: And now the town is locating a center somewhere other than Trinca Airport.

MR. BERNARD: The township has expressed interest in creating a center somewhere else.

ASSEMBLYWOMAN MYERS: Is it still in court?

MR. BERNARD: Yes.

ASSEMBLYWOMAN MYERS: It's still in court.

MR. BERNARD: Yes.

ASSEMBLYWOMAN MYERS: Okay. Because we started out with a question on alternatives to centers, and I thought we got a little bit off track there.

Are there any questions?

MAYOR SCHWEIKERT: Yes.

ASSEMBLYWOMAN MYERS: Al.

MAYOR SCHWEIKERT: In the Fair Housing Act, could you explain what the low and moderate obligation is -- the language itself?

MR. BERNARD: Well, it's defined.

MAYOR SCHWEIKERT: It's defined. Is it, let's say-- What year was that first defined, around 1985?

MR. BERNARD: Well, the Supreme Court defined it -- they may have done it before 1983 in its *Mount Laurel II* decision. But certainly in its *Mount Laurel II* decision, it defined low as -- low income as those earning 50 percent or less of median income and moderate as between 50 and 80.

MAYOR SCHWEIKERT: Okay. In your estimation in your work as a planner, is that still relevant today?

MR. BERNARD: Yes.

MAYOR SCHWEIKERT: Second question: What do you think about the concept of removing a builders' remedy, and what would we have to put in its place?

MR. BERNARD: I don't know what would go in its place. I've been involved in housing litigation in Pennsylvania where they don't have the builders' remedy and no housing gets built. It seems to me to the extent that we have been successful in New Jersey is because of the tension established by the builders' remedy -- that communities know that -- especially those that are in the path of growth -- that they're vulnerable if they don't plan for low and moderate income housing.

MAYOR SCHWEIKERT: You made a comment that we're successful in New Jersey. What is the measurement of that success?

MR. BERNARD: Well, to the extent that we have-- I think if you look at a map of the communities that are either before COAH or have been sued, and you go through it, and you go through the areas where you think growth would take place, you would probably find most of those communities

are either before COAH, have been before COAH, or are in litigation, or have been in litigation, and have zoning in place to provide affordable housing and have built some affordable housing. I don't know what the numbers are specifically. I imagine there are somewhere around 30,000 built right now.

But I think the builders' remedy-- I mean, without the builders' remedy, it all falls apart. I mean, you've got this system that the Fair Housing Act creates where if towns want a plan, and they don't want someone else dictating what happens in the community, they've got this place to go. They've got COAH. And if they don't, they can be in court. And it works.

MAYOR SCHWEIKERT: Thanks.

ASSEMBLYWOMAN MYERS: Christine.

MS. MARION: I'm going to pass for a second. I'm still trying to formulate the question in my mind. I know that Art was in Morris County on a particular case. But I'm going to pass.

MAYOR PAGLIUGHI: Art, in your capacity as a professional in planning over the years, you've been involved with both of the acts, the Fair Housing Act and the State Plan. Other than what you just spoke about, do you see any other conflicts that pop right out? And what would you think that this Task Force should recommend, as far as trying to put the two acts together in a more adhesive way?

MR. BERNARD: Well, I think COAH and the State Planning Commission work pretty well together. But I have some concerns, especially about the State Plan, and I share some of Peter Abeles's thoughts. I think the idea of the State Plan is good. The idea of clustering growth, the idea of protecting environs is all very good. But I think -- and Chris, this may be where

you're coming from-- In my experience, especially my experience in Morris County -- is that the criteria for the various planning areas are so nebulous as they can mean anything to anybody. I mean, reasonable people, and it happened in Morris County, can look at a planning area and say, "Well, this is Planning Area 1," and someone else can say it's Planning Area 5. And we saw it happen in Morris County.

It seems to me that the State Plan should have meaningful criteria for its planning areas so that when someone looks at something, they can say, "Well, this really should be an area that accommodates growth, or this should be an area where we should be more concerned about protecting the environs."

It also seems to me that there is danger in implementing only half of the State Plan. And I think that's what Peter Abeles was talking about before, where the State Plan was being used to protect farmland where no one really wants it protected, if I heard him correctly, and not accommodating any of the growth and housing obligation that, perhaps, the town -- a township should be accommodating.

I think it would be-- The State Planning Commission has come up with a plan endorsement process. And it's just a thought, and I don't even know if it's a good thought, but it seems to me that perhaps, in terms of COAH implementation and COAH -- in the case of permitting -- that the State Plan should have no impact at all, unless a community goes through that planning endorsement process and receives it, because it seems to me that if we're implementing only half of the State Plan, we're doing something that's fairly dangerous.

The State Plan, to me, is that -- there's two sides of it. And we should be implementing both of them. I think if we do, the State will be a better place.

MS. MARION: That was basically it.

ASSEMBLYWOMAN MYERS: So your suggestion is no permits if they don't get plan endorsement.

MR. BERNARD: No, my suggestion is that the State Plan shouldn't be used for permitting purposes. It shouldn't be used for any purpose.

ASSEMBLYWOMAN MYERS: Oh, I thought-- Didn't you just say--

MR. BERNARD: Well, what I said was it shouldn't be used for permitting purposes or for any other purpose.

ASSEMBLYWOMAN MYERS: What didn't I hear right, because I wrote down no permits if no plan endorsements. So, if a town doesn't get plan endorsement, what happens?

MR. BERNARD: Then the State Plan would not be used by DEP for permitting sewer extensions and things like that. There is a thought process within the professions.

ASSEMBLYWOMAN MYERS: So wait a minute. They're off the hook completely.

MR. BERNARD: No. It's just that the State Plan would have no impact on what COAH does, on what DEP does, on what any State agency does, on what any court does, unless the community had gone through this plan endorsement process and had shown that it is consistent with the State Plan.

ASSEMBLYWOMAN MYERS: But then why wouldn't that be the death of the State Plan? Is that what you're looking for?

MR. BERNARD: No, I'm not looking for the-- I'm looking for the State Plan to be implemented and for the housing obligation to be fulfilled. And I think if towns knew that they needed to go through this and actually go through the whole thing in order to get all the advantages--

ASSEMBLYWOMAN MYERS: But you haven't explained to me why they need to go through it. The way I read what you said was the towns would get off the hook and wouldn't--

MR. BERNARD: The way I meant it to be said is that if the towns don't go through it, the State Plan would not be used to justify zoning that they put in place, would not be--

ASSEMBLYWOMAN MYERS: Oh, so they wouldn't have protection. You said then State agencies wouldn't use it for permitting purposes. So I was thinking--

MR. BERNARD: Well, I meant both, Ms. Myers. I meant it that-- I didn't really mean it to be punitive, I meant it to be-- Let's-- If we're going to use the State Plan, let's use all of it. And if we're not going to use all of it, let's use none of it.

ASSEMBLYWOMAN MYERS: But then most of the towns would choose to use none of it. That's what I'm saying.

MR. BERNARD: That's okay. I mean, we've been operating under that for a long time. And I think that's better than using just what portions that someone wants to--

ASSEMBLYWOMAN MYERS: But you're a State Plan advocate, so what's your assumption? Your assumption is they're going to end up in court, and what's going to happen?

MR. BERNARD: My assumption is not that they're going to end up in court, necessarily. My assumption is that if they know that they have to do certain things to get certain advantages, they may do them. And if they don't do them, I don't see how the State's better off for them doing half the job.

MR. KENT-SMITH: Can I follow up--

ASSEMBLYWOMAN MYERS: Sure.

MR. KENT-SMITH: --because I'm very intrigued, Art, and I think it's a great-- What you've just suggested is the genesis of a really tremendous idea, which is if there are aspects of the State Plan that are beneficial to a rural municipality, for example, because that town is in a Planning Area 4 and 5, it must go through a plan endorsement process with the Office of State Planning and have plan endorsement before it can derive any benefit from the State Plan such as DEP preclusion of sewer service, because it's in Planning Areas 4 and 5. Is that where you're going?

MR. BERNARD: Part of it.

MR. KENT-SMITH: And in those municipalities that do seek to accommodate growth in a center and derive the benefits of center designation that come from other State agencies, they can't do that without plan endorsement.

MR. BERNARD: It's true.

MR. KENT-SMITH: So that one way of making the State Plan an effective vehicle for growth management is to give plan endorsement a real benefit to a municipality. Is that where you're heading?

MR. BERNARD: Yeah, that's part of it. I mean, it's like a two-edged sword. I mean, there are benefits, and there are benefits from actually doing the job right.

MR. KENT-SMITH: So let's take a counterexample. Now let's look at the negative side. And let's use the recent *Mount Olive* decision. If *Mount Olive* did not have plan endorsement, it's defense that it's in Planning Areas 4 and 5 would be ineffective under your scenarios. Is that correct?

MR. BERNARD: Yes.

MR. KENT-SMITH: So in order for *Mount Olive* to assert a Planning Area 4 and 5 defense against a sewer extension, it would have to have plan endorsement as a necessary precondition.

MR. BERNARD: Yes.

MR. KENT-SMITH: And in the affordable housing realm, we apply that through the builders' remedy by saying either you have substantive certification, and therefore are protected from builders' remedy suits, or you don't.

In this instance, it's the same. What you're talking about is essentially the same concept for the State Plan. If you have plan endorsement, you have all the protections and benefits that flow from the State Plan. If you don't, you are susceptible. You have no benefit. Is that--

MR. BERNARD: That's right.

MR. KENT-SMITH: I think that's--

ASSEMBLYWOMAN MYERS: But the benefits come only from the court cases. We're still solving it -- controlling everything--

MR. KENT-SMITH: Yeah, but there's some other benefits that come out.

ASSEMBLYWOMAN MYERS: --through the judiciary, not through the statutes.

MR. KENT-SMITH: Well, I think there are other benefits that come out in terms of funding, State agency action, and availability of State funding that flows through State Planning, that would be available to communities that follow plan endorsement. And it wouldn't be available to those who don't.

ASSEMBLYWOMAN MYERS: But, I mean, if you're assuming, for example, a town wants a sewer approval -- a builder may want a sewer approval, but the town doesn't want it at all--

MR. KENT-SMITH: Well, just the opposite -- what if the town says, "No, we don't want sewers."

ASSEMBLYWOMAN MYERS: That's what I mean.

MR. KENT-SMITH: You can use the State Plan.

ASSEMBLYWOMAN MYERS: A builder might want a sewer approval.

MR. KENT-SMITH: You can use the State Plan to say no to sewers. That's the *Mount Olive* decision -- using the State Plan to say no to sewers.

ASSEMBLYWOMAN MYERS: Okay.

MR. KENT-SMITH: And I think, Art, to summarize to what you've testified to today, which I think is a great idea-- What you're saying is you can't use half of the State Plan. You can't use the, for want of a better word, no-growth or stop-growth components of the State Plan by themselves -- that the State Plan is a whole. So there's a portion of the State Plan that has to accommodate growth. And therefore, plan endorsement is the way in which a municipality balances those interests with the Office of State Planning to secure an endorsement of their master plan that implements the State Plan.

Not trying to put words in your mouth, but--

MR. BERNARD: And it would wind up in having a -- giving the municipality a lot more protection if there was some sort of lawsuit, whether it be for housing, or whether it be a prerogative writ action, or whether it be that the community wants sewers or doesn't want sewers. I mean, it would just be--

MR. KENT-SMITH: It would certainly be an important tool in wastewater management policy.

MR. BERNARD: Yes.

ASSEMBLYWOMAN MYERS: Okay, it's--

MR. KENT-SMITH: I'm sorry.

ASSEMBLYWOMAN MYERS: --after 3:00, and you said you had to leave at 3:00--

MR. BERNARD: I need to go.

ASSEMBLYWOMAN MYERS: --so we'll let you go -- and appreciate your coming--

MR. BERNARD: Thank you.

ASSEMBLYWOMAN MYERS: --and giving us your perspective on this.

I have two people that say they have to leave by 4:00, which means those who have not said they had to leave by 4:00 are going to have to wait. Is that okay? (affirmative response) The two people from my county and my district are going to have to wait.

Do either of you need to get going? (no response)

Tony Stanzione.

I was just told you were going to testify at the Atlantic County forum because we had a schedule -- session scheduled unexpectedly.

Thank you for coming to Trenton.

**T O N Y S T A N Z I O N E:** You're welcome, Assemblywoman Myers and the rest of the group here today.

Thank you for letting me get to little league by 5:00. I appreciate it. We're almost finished. Thank goodness.

I don't have my remarks written, but I will follow up with written remarks for you.

I'm the Executive Director of the Cumberland Development Corporation, which is a not-for-profit that provides economic development services for 11 rural municipalities in Cumberland County, New Jersey.

It's 11 of the 14 towns in Cumberland County -- recognize they didn't have the ability to promote growth and manage growth on their own, so they formed a not-for-profit about five years ago to start doing that. And we're just about to enter into an 18-month study funded by the Smart Growth Planning Grant program to really put together what we call a strategic plan for

the next 20 to 25 years for the region. And there's a couple of comments I want to make in that regard.

There's a lot of concern. Our board of directors, by the way, is made up of the 11 mayors -- and I represent -- of a private industry that's chosen by the Bridgeton Area Chamber of Commerce. And the 11 mayors are -- and I said this at a budget meeting -- are really concerned about home rule, but they also recognize that they have to look at things on a more regional basis. So we're going into this process.

And the first thing that came up for us was the fact that when we get this regional study completed, that the Office of State Planning would like us to get it endorsed. And discussion took place on whether or not endorsement was a real positive thing for us in the future -- that if we have parts of the plan -- for instance, we need a highway improved or a sewer extension in order to promote growth in the specified areas that we choose over the next 18 months -- that even though we might have endorsement, we may still have trouble with the State Departments and agencies who maybe disagree with the endorsed plan. So there's a concern that endorsement is a way for us, certainly, to cooperate, communicate, reach agreement with the Office of State Planning so we can get that endorsement, but then we want that endorsement to have real meaning and value as we move forward. And I heard that mentioned briefly before. So that's one of the concerns.

One of the other concerns, as we move forward-- Even among the 11 small towns, and these are -- total population of about 45,000 with the 11 put together-- We are, truly, the open space -- much of the open space that remains in the southwestern part of the state. And most of the people who live

in these towns want that open space and that agriculture to remain, but they also want jobs and opportunity and higher incomes for those who live there. So we're trying to balance it. And actually, the State Plan is going to help us -- I think is going to help us do that.

We did put some wording into the scope of our Smart Growth Planning Grant that made the mayors more comfortable, and that is that endorsement would, hopefully, have real meaning down the road.

But we're also concerned about equity, and what we consider to be the real reason there's sprawl in New Jersey, and that is the fact that we fund our local governments and our schools with real estate tax revenue versus some other system. And what we're going to be looking at in part of the study is a way for the towns to share revenue, if they agree that development should take place in part of one of those 11 towns or let's say three of those 11 towns, but the other eight will basically not have industrial development. I'll put that in quotes. We want to find a way to share that revenue that comes in the future with the towns that have agreed that they won't have development in that type of area. So we're going to work on that on our own.

But for the State, we really would like the State to start to consider the possibility of some kind of revenue to reimburse communities who agree to preserve open space on their own or communities who are denied development and future revenue because State permits for sewer extensions, etc., are not permitted. In so many words, the State, by denying those -- for instance-- I'll give you an example. And it's not a denial, but it's an example of how it works is, one of these towns needs some sewer service. And we talked for quite a while about running a sewer line to this town. But to get there, it would have to go

through four or five other towns who -- you still have pristine open farmland. And pretty much, in discussions with DEP, it's going to go a different route, even though financially it made more sense to run the line and use the underutilized Cumberland County Utilities Authority system. So, basically, those towns were said no to, even though maybe we could have done this in a way that would have preserved the farmland and preserved the open space. They, in turn, say, "You know, maybe in 20 years from now, we will not have the opportunity for ratables in order to support ourselves, our schools, our communities." But somewhere else is allowed to grow, and they get the benefit of those revenues, and we don't.

So the whole idea of equity, both for landowners and for municipalities, is something I really think you need to consider.

Those are the main comments I wanted to make today. We are going to work with the Office of State Planning. That process is just beginning. It took a lot of effort for these 11 mayors to get together five years ago. They meet monthly. They continue to do that. They very much want to remain independent, but they've also come to the realization that we're going to be better off with a regional plan that's endorsed when we need the help and we need the support and we need the funding to develop the areas that make sense to develop in the region over the next 20 to 25 years.

Any questions for me?

ASSEMBLYWOMAN MYERS: Al.

MAYOR SCHWEIKERT: Not right now.

ASSEMBLYWOMAN MYERS: Henry.

MR. KENT-SMITH: Well, I just find it very interesting what you've done, because you're defining regional planning, which is something that this Task Force has been struggling with mightily. And it seems like you're doing it.

Is this all voluntary?

MR. STANZIONE: Yes.

MR. KENT-SMITH: This is completely-- You guys decided this is the best thing for us to do, so we are just going to do this.

MR. STANZIONE: Yes.

MR. KENT-SMITH: Boy, I wish we could can that and send it statewide.

MR. STANZIONE: And I should say, I'm not a planner. I'm a banker for 21 years before taking this job in economic development. And really, the focus of this not-for-profit is economic development. But we realize, in the end, it's actually going to be more of a planning process than strictly an economic development forum. And it's been a great opportunity for these 11 mayors to get to know each other and talk to each other for the past five years.

MR. KENT-SMITH: Could I ask what your -- the county -- and what your experience -- if you know -- in these towns in Cumberland County has been with COAH and affordable housing?

MR. STANZIONE: I can't answer that for you.

ASSEMBLYWOMAN MYERS: Do you have questions, Christine?

MS. MARION: Are you using the Burlington County model -- what they did along the 130 corridor as kind of like what they did for a strategic revitalization plan?

MR. STANZIONE: It's been -- not really. It's been mentioned-- Where this came from was Charles Nathanson -- I don't know if you're familiar with him -- but a consultant who now works with Orth-Rodgers planners came up with the idea that we should be using the Smart Growth Planning Act to try to figure out how we're going to get some area of development in these rural communities while respecting the quality of life that's there and protecting the environment and protecting farmland. And individual towns really felt they were going to have difficulty getting any kind of help from the State if they didn't get together and work together.

Burlington has been mentioned to us. Sussex County has been mentioned. In fact, a little interesting story-- When we sent our scope in for the study, it came back to us very, very different after about eight months of review than what we sent in. And it turns out that much of the language that was in either the Burlington County scope or the Sussex County scope was converted into the Cumberland Development/Cumberland County study. We were able to work that out, and it's not back to what we wanted it to be. But very much what we're hoping for, and this is going to be the tough part, Christine, is, it's been real easy for the mayors to get along with each other and talk to each other when there wasn't really a decision that needed to be made as to which town would have areas of development and which towns would have the open space and preserve the farmland and the rural nature of the area. So this is going to be the interesting 18 months for me. I've been on board for about two years. Now we really have to make decisions over the next 18 months of where it makes sense to develop and where it should be preserved as open space.

MS. MARION: Have the municipalities bought into the centers concept? Are they looking at higher density -- mixed use communities, developing them as -- or are they looking at just basing it on the existing communities that are there?

MR. STANZIONE: Right now, most of them, I think, use their existing village centers as the basis. They went through the cross acceptance process. A few of them are-- For instance, Deerfield is seeking a new master plan, so they're going to be going through that process, and actually, they are looking for a new development site in addition to their two village sites.

So there's a combination of things going on. Most of the towns that I work with are in CAFRA, so there's a consultant who's working with them to try to get their centers better designated than they currently are.

MS. MARION: And I know-- I think most of the state -- or a lot of the counties that are involved in this process now are wondering what plan endorsement will be since that process has not yet been defined. And everybody's waiting for that eventually to be released.

Thank you.

ASSEMBLYWOMAN MYERS: Marty.

MAYOR PAGLIUGHI: Tony, I'm looking at the 11 municipalities that you represent in the Cumberland County area. I was just curious-- Since you're taking a regional approach to this planning effort, why wouldn't Vineland, Bridgeton, or Millville be included in the three major city areas in that county?

MR. STANZIONE: We will-- I'll answer currently and then go back a little bit. We will include them, as best we can, in the study. The 18-

month study does include an invitation to the city of Bridgeton, because this was looked at by the county and by us as an opportunity to look at what we call western and southern Cumberland County. The Vineland-Millville Corridor has seen some improvement in development. In fact, I think the Cumberland Development Corporation exists because the other side of the county said, "Well, gee. Everything's happening along the Route 55 corridor, and nothing's happening on our side of the county." So the initial impetus was, "Gee, how do we get a piece of this action sometime in the future?" But we will consult with representatives of Vineland and Millville.

But the object of this Smart Growth Planning Study is to develop a vision for the 11 western and southern Cumberland County towns. Bridgeton sits in the middle of those. And the invitation is still out. In fact, I have a meeting this week with their economic development director and some of their officials to try to get them to agree to be a part of this study because there is an existing older city that is-- If you look at the map, it sits in the middle of these 11 rural municipalities. And it's going to be very difficult to do a regional plan without them. If they don't officially join us for whatever the reasons, we are going to include people in the steering committee and the advisory committee from the city of Bridgeton -- maybe not government officials, but business leaders and others to attempt to accomplish that. That's still being worked on.

And the reason Vineland and Millville were not invited was what I said. They pretty much have seen the advantages of the highway for economic development. And they also have their centers well designated, and they're looked at as a different part of Cumberland County -- the western and southern towns.

MAYOR PAGLIUGHI: Thank you.

ASSEMBLYWOMAN MYERS: I have a question.

You raised the concept of equity, which is another one that we're trying to address and deal with in our recommendations. But it seemed to me you moved on, and you were kind of saying, "Well, down the road, we have to be careful that a lot of this isn't set in stone because of the equity concept."

I mean, it's my understanding that this could change. I mean, we make decisions now, but unless something gets put into the Constitution, it can be changed if there's a new Legislature, if there's a new board of freeholders, whatever. So I didn't-- I might have missed something as to your concern about the future and for your planning for the future. And before you try to address that question, I want to throw another one in, and that is, another concern that has been raised with both the State Planning Commission and the Council on Affordable Housing is that currently the State Planning Commission has a three-year cycle. And the Council has a six-year cycle, which matches the master planning cycle. And I think both agencies would prefer a 10-year cycle tied to the census with provisions to allow for amendments and changes along the way under certain conditions.

So, two questions. Number one, was there anything else about the equity concept -- something I missed? And number two, do you think a 10-year planning process would be a more reasonable one?

MR. STANZIONE: The answer-- It's easier for me to answer the question about the 10-year. I really am still learning the way planners talk, no offense to Christine and the others that may be in the room. I don't really have a good feel for that. I mean, my initial two years with this organization was

really organizational. And also, how do we get some jobs and some revenue and how do we stop losing the businesses we have?

In terms of equity, I can speak a little bit more to that. We are-- We have an additional study going on right now for a shared industrial park. It's a Federal EDA funded study. We're trying to find a way to build one industrial park in one of the towns where the revenue -- rather, the cost of building it and the risks of building it are shared by some number of these 11 towns. And it will be done by contract or agreement.

Let's say six of them share it. In turn, six of them will share the revenue that results from that over a number of years. And we're looking at different ways of accomplishing that. That study's not done, but the possibility of using the redevelopment act -- the special improvement district-- I mean, we're looking at all the possibilities. And then, certainly, interlocal agreements can be done where the towns agree to share. That's a way of-- That's a concrete way of getting these individual small towns to share -- or to answer the equity question, because they're giving up something in turn for an industrial park being built in another town.

As far as the State goes-- This issue comes up in Cumberland County a lot because of the State prisons and the other State facilities that are there and the lack of a real formula for how municipalities get reimbursed. Maurice River Township is one of the towns I work with, and they have an ongoing concern about lack of funding from the State because of the number of prisoners they house in their municipality.

We kind of feel the same way. We don't have a plan yet. And hopefully, this will be a part of the discussion over the next 18 months, then

we'll pass it on to the appropriate people at the State level -- is if a municipality agrees that it will be part of the open space for the State of New Jersey and that in doing that, it will lose X amount of dollars over the next 20 to 25 years -- whatever the years are or forever, because it will never develop that acreage-- All they want to do is have an opportunity to have decent schools and decent community services for their people while we are acting as the open space for the rest of the state.

I don't have the answer for you, but we're going to start to talk about that among ourselves and then maybe have some recommendations at the end for the State.

ASSEMBLYWOMAN MYERS: Have you done any kind of a survey of the residents of these 11 towns or the county of Cumberland as to what they would like?

MR. STANZIONE: That's what we'll be doing, Assemblywoman Myers, over the next 18--

ASSEMBLYWOMAN MYERS: Oh, okay, so you haven't--

MR. STANZIONE: Right, the 18-month process is involved with a lot of public sessions, because, certainly, we talk about economic development a lot, but there's always somebody on the other side of the street who doesn't want economic development, they want Downe Township and Hopewell Township and the others to be exactly the way they are today.

ASSEMBLYWOMAN MYERS: Yeah, I didn't mean public sessions. It's just in my two counties, Warren and Hunterdon, the public opinion surveys that were mailed, I believe, to every household--

MR. STANZIONE: We haven't done--

ASSEMBLYWOMAN MYERS: They were very revealing. We have a rural area with population density still close to what yours is in the more rural townships, but we've had tremendous development pressure in the southern part of the district and a whole different attitude, I think, toward development, because generally, development is seen as encouraging more residential development. And the residential development never pays. It doesn't matter-- It sees how many -- how much in property taxes even the mini-mansions that are being built are paid-- They never seem to pay their way. We pay more to accommodate new residences. So there's a very strong antidevelopment feeling. And I'm aware of, certainly, the Speaker's district and the Chairman of the Agriculture and Natural Resources Committee -- Assemblyman Gibson -- their districts are -- include Cumberland County. And I've been down there a number of times. It's beautiful.

I'm wondering, is there a sense in Cumberland that you can continue agriculture as an industry, as a viable income-producing base for the county?

MR. STANZIONE: I would answer yes to that. Certainly, farmers have a lot of concerns and a lot of difficulty. Every year it seems like there's something. But there are traditional family -- longtime family-owned farms. I just came from one yesterday -- one of the deputy mayors I work with. And I lived in the more populous part of Cumberland County my whole life, and it's just absolutely beautiful where they are in the western part near Salem County. And those type of farms will continue.

Certainly, what has taken over the traditional vegetable food type farming is nursery-type farming. And much of the acreage in Cumberland

County is starting to be devoted to that. And while it doesn't feed us, it certainly maintains the open space, and it's also a very viable industry for Cumberland County right now.

ASSEMBLYWOMAN MYERS: Are you looking to develop or bring in industries that are related to the agricultural base?

MR. STANZIONE: Yes. I answer that, certainly, because that's a way of maintaining it and supporting it. The industrial park I talked about-- We gave it a sexy name called an Eco-Agro Industrial Park, and we're going to continue to work at that. We wanted to have an ag basis to it, and we also want it, obviously, to fit in with the environment where it's going to be located.

ASSEMBLYWOMAN MYERS: Good.

Thank you for coming.

MR. STANZIONE: You're welcome. Thanks for letting me.

ASSEMBLYWOMAN MYERS: Sandy Uργο and then Tom and Joe, if you both want to come together or whatever.

**MAYOR SANDY URGO:** Hello. Thank you for inviting me.

I'm Sandy Uργο. I'm the Mayor in Roxbury Township, in Morris County. And I've come to tell you what a disaster the Fair Housing Act has been for our community.

I appreciate Ms. Myers's comments about residential development never pays. That's kind of the crux of our argument. And basically, I would say that the Task Force press release that states that one of the questions you're here to hear comments on is the intended or unintended impacts directly or indirectly caused by the acts-- I would suggest that one of the, I assume and hope,

unintended impacts of the Fair Housing Act is to create a huge hardship on a group of people and, in fact, to make their homes unaffordable to them.

There is a group of senior citizens in Roxbury Township. We have a pretty big senior population. They live -- the majority of them -- I'm describing a particular group. Now, this doesn't apply to everyone. But we have a group that lives in older homes in the older section of the community. They've been there their whole lives. A lot of them will tell you that they were born in that house, that their grandfather built that house. They're from mining families. Their families, for their entire lives, worked in the local musicians' factory, which you might of heard of -- Hercules. They're blue-collar families. They are being pushed out of our community.

In 10 years, our tax rate has increased 35 percent, our water rates have increased over 100 percent, and our sewer rates have increased 80 to 90 percent. Our obligation started out at over 600. When we got into COAH, it was reduced to 375. We've built a lot of housing.

Just as a result-- Specifically, affordable housing zoned-- Now, whether -- in some cases the units got built and in some cases, we have the money in our affordable housing trust. But there were over 1500 units -- have been built in Roxbury Township in recent years as a result. Actually, excuse me, there's 1500 that are planned. There's 1100 that are already built. Two hundred twenty-five of them are actual built, COAH units. And that number is high only because we do have one development-- We have a developer who went out and was able to obtain tax credits. And we have one development that is 100 percent affordable housing. Otherwise, that would be another four-to-one development. We have 315 mansions on the side of the mountain. And

the people who live in them are very angry that their development is called an affordable housing development, because in their opinion, it wasn't all that affordable.

It's easy-- I've been listening this afternoon. It's easy for a planner to talk about how this is easy for a town, as long as the town plans. A plan is only a piece of paper. It takes a lot of money to build what's in the plan. And that burden is shared by every property taxpayer. We do live in a state that relies on property tax. And we all recognize the common sense.

Now, I can't tell you, unfortunately-- I haven't done enough of a study to be able to tell you what percentage of the increases that I described are attributable to the affordable housing, but common sense tells you that when you take forests and you turn them into housing and you increase the demand for recreation, for transportation, for schooling, and roads and plowing and police and emergency services and everything that goes along with housing, you create a burden on the property taxpayer. And right now, the Fair Housing Act, as it's being implemented, is creating some somewhat affordable housing. It's actually very expensive, and people complain a lot about that, too -- that the affordable units we have are very expensive. But in return, you create a burden on another group of people, and you make their homes less affordable. That's what's going on right now. We are burdening property taxpayers with affordable housing. And a lot of them cannot afford it.

I have a woman who lives in the Kenvil section of our town whose house is going to be foreclosed on. Others are lucky enough to sell and get out. They don't want to get out. They want-- Most of them will tell me they want

to die in their homes. That's all they want, to be lucky enough to not be moved out of their home.

We have seniors who are actually being put on affordable housing waiting lists, because they're forced to leave their home, because they don't have the income to stay in their home and pay their sewer and their water and their taxes. And they can't even get into the affordable housing that they're paying for, actually. They're getting onto a list.

So I would like to suggest that, first of all, Roxbury-- We started out-- We have this massive obligation. Now, I know a little bit about the way this started, and I know part of the reason for a larger obligation is we were seen as a growth community.

I would like to suggest that-- First of all, Roxbury started out as a very diverse town for Morris County -- community with a very diverse housing stock. We have two-family homes, we have brand new mini-mansions, but even our new little mansions are going for 3 -- \$350 -- you're not talking about \$500,000 homes in our community. What I'm saying is, we have ample opportunity. We have a very diverse housing stock, and yet this massive burden was placed on a community -- a very blue-collar community that really could not afford to deal with all of the things that come with it.

Our water supply has not kept up with the demand for water. And I suggest that-- We are not opposed to affordable housing. We have been collecting the one-half of 1 percent assessment on new development for many years. We have in the neighborhood of \$2 million in our affordable housing trust fund. We just got an award on Friday, actually, from the housing partnership in Morris County, which is a very reputable group. They do

fantastic work. We work very closely with them. We are planning. We are attempting to plan, but we are still being drowned by this Act and the implementation of it. We have met our quota. We have a surplus of 23 units, but we still have zoning in place that's going to bring up 5 -- 600 more units, unless we get out from underneath that. And whether or not we can depends on which lawyer you ask.

ASSEMBLYWOMAN MYERS: Can I just clarify that? You have a surplus of 23, but 500 to 600 have been zoned. So, in other words, it's surplus if they were all built, or--

MAYOR URGO: No.

ASSEMBLYWOMAN MYERS: I mean, why couldn't you rezone it if--

MAYOR URGO: Well, as I said when I started, we originally had an obligation of over 600. Then we got into COAH, and our obligation was reduced. The thing is, our obligation was reduced after the zoning was in place, so the net effect is, they zoned for 600-and-some-odd units at four to one. Our obligation was reduced to 375.

ASSEMBLYWOMAN MYERS: But after you've been certified -- your plan -- if it doesn't include that zoning -- your plan -- then you can change it.

MAYOR URGO: The plan that was approved did include that zoning.

ASSEMBLYWOMAN MYERS: Oh, so you'd have to keep it.

MAYOR URGO: I'm not an attorney. I'm not going to answer your question. I will tell you that we have already built a surplus of units -- already built and standing there. We have two 500-unit developments on the edge of town that the town next door is very upset about that people want to put 500 or so units on.

The burden just continues to mount. And the thing is, we have money in our trust. We collect the money. We have absolutely no objection to providing affordable housing. We have ample opportunity. We can take that money, and at \$25,000 a unit, there are units all over town that we can create. We are talking to Habitat for Humanity. We are working with the housing partnership. I'm reading to you our surplus from our COAH amendment that I just received -- COAH summary fact sheet. This is part of an amendment, because we signed up for the buy-down program and made that part of our plan. But we're limited to 10 units. The likelihood is we will-- We're just getting off the ground. But the likelihood is we'll be able to provide more than 10 units. Now, that's accomplishing the goal of providing affordable housing without continuing to build out the town. The traffic impacts are phenomenal.

You're familiar with the impacts of overdevelopment and growth that a town is not able to keep up with, so I won't go on about it, but it's bad. Nobody's having fun. And no one in town wants it to continue.

We do intend to meet our obligation. We have met our obligation. We will continue. I don't think it's a process that, "Well, you hit your number." I mean, we're already hearing the new numbers are coming. We'll

meet our obligation, but we just don't want to continue to be forced to build out.

Roxbury is part of the Highlands -- part of the Farny Highlands -- the southern part of the Farny Highlands. It's somewhat mountainous. We have some plains. They're called the Succasunna Plains. The plains were largely built out before the first affordable housing lawsuit was decided. So the areas that were zoned in Roxbury were either low and wet -- they were part of the swamp, or they were high, very high. And what has happened is where they're low, we're pumping the sewer up to the station. And where they're high, we're pumping the water up the mountain. The energy costs are astronomical. It's all very expensive, and it doesn't-- We talk about planning. It doesn't make sense. What's happening to us doesn't make sense.

ASSEMBLYWOMAN MYERS: Okay. I think Christine wanted to clarify.

MS. MARION: I have the pleasure of working with Roxbury and the planner and with the State Plan. And probably one of my first tasks coming to the county was looking at the *Mount Laurel* decision and its impact on the -- just the *Mount Laurel* decision itself, not necessarily COAH. It came a little bit later. But being a little familiar with the history of Roxbury-- Roxbury was one of the first municipalities in the county to settle on the *Mount Laurel II*. And as you said, the obligation was 665 units. And the way those 665 units -- I don't know exactly how they're calculated -- but Roxbury is one of those towns that were overwhelmed with builders' remedy lawsuits. And probably that's what really caused the large number -- the increasing housing units in the municipality.

Once the Fair Housing Act was adopted, as you had stated, the obligation was reduced to 325. But because there were contracts between the developers and the municipalities, they still had to -- transferring the case over to COAH -- they still had to meet those obligations through builders' remedy. They could not do away with those. I think they still have two developments that are yet to be built that are still in Planning Area 5, interestingly enough.

MAYOR URGO: Yes, they both are.

MS. MARION: And they would be, again, in excess-- You still need a portion of those units to meet your current obligation.

ASSEMBLYWOMAN MYERS: But this is because it happened under the courts.

MS. MARION: It happened under the courts, not under COAH. So their original obligation-- I think under second round, their obligation was close to -- it was zero.

Is that right, Shirley? (no response)

So the present obligation, because of the first round-- Their current plan of obligation is zero.

ASSEMBLYWOMAN MYERS: But they have to accept this other growth. There's nothing we can do because of their court decision.

MAYOR URGO: Well, that's something that we're looking into. I'm not sure that that's entirely true. And that's something we're working on. But what I'm looking to do is for the future, I want the Task Force to consider -- because we're hearing there's going to be-- Our certification is up in, I don't know, two years. There's going to be another round.

I really feel very strongly that you have to take the builders out of it. There should not be a limit on the number of buy-downs. There should not be a limit on Habitat for Humanity houses or group homes or any of the things -- no-build options. We should have no-build options. And we should not be limited in those no-build options. And that's what will take the builders out of it. Right now, the builders are taking advantage of the program. It's created a very unhealthy situation. It's not creating smart planning or smart growth. It's creating a disaster area -- a very expensive disaster area that we're running to keep up with. We haven't kept up with it. And the litigation costs are astronomical. If we add all the money that we've all spent on the litigation over affordable housing, we could have probably tripled our affordable housing stock in the state easily.

So I don't believe that the builders' remedy works. I don't believe that it should be part of the future of affordable housing in this state. I think that we should all have no-build options available to us. And I can assure you that Roxbury would avail itself of that.

I've heard of this growth share plan that's being promoted. I think, once again, that doesn't take the builders out of it, because the only way the builders are interested in building affordable housing is if they increase the density to a minimum of six units to an acre, and that's on the real low end, and then build four market-rate units for every one unit. And that doesn't work.

If you want to say growth share -- a percentage-- If you want to look at-- It shouldn't be one-half of 1 percent, it should be a little higher. And that money has to be plowed back into affordable housing and even limited to that community. I would go along with that. But when you put the builders'--

ASSEMBLYWOMAN MYERS: Could you repeat that, the one-half of 1 percent?

MAYOR URGO: We're collecting the one-half of 1 percent of the assessed value of anything that gets built in town, even-- If you build two homes, you contribute one-half of 1 percent of the assessed value, and we're collecting that. I'm only speaking for myself. I haven't spoken to other members of our town council about this.

But one thing you can consider-- If that's not enough, and that may be enough -- that's something for you to decide. I have no knowledge of what the need is, quite frankly.

ASSEMBLYWOMAN MYERS: But that's to provide funding for the affordable housing initiatives.

MAYOR URGO: Yes.

ASSEMBLYWOMAN MYERS: What we're-- And I don't think funding, believe it or not, is the biggest hurdle. Apparently, we're all looking at the builders' remedy. And a lot of people would like to see it go away.

MAYOR URGO: Yes.

ASSEMBLYWOMAN MYERS: But the problem is, what's the enforcement mechanism if you don't have it? If you don't have-- Even if you do have the growth share, what's the enforcement mechanism? I assume it's a bonus to the builders, which I assume you wouldn't really like. And as you say, the growth share doesn't really take the builders out. How do you ensure the fulfillment of affordable housing obligations? What's the hammer that takes the place of the builders' remedy? If you don't have an answer, perhaps you can think about it.

MAYOR URGO: Well, I'll say this. I can understand in the past-- I understand some of the history of how we got here and why people think there has to be a hammer. At this point, I would ask the question, why does there need to be a hammer? We've got \$2 million sitting in an affordable housing trust fund. And we've got people in town looking for affordable places to live. Why would I not want to take that money and throw \$25,000 at a unit and make it affordable? Why would I not want to do that? I mean, why does there need to be a hammer? We've established the program now. I mean, before, when this started, there was no program. We now have a program. We now have a pile of money, and it continues to grow. And as long as something gets developed, there's your growth share right there. Everyone who develops has to contribute. That money can only be spent on affordable housing. Why isn't the hammer simply COAH coming in and saying, "Hey, your fund is way up there, you need to get moving on a plan. What are you going to do about it?" To me, that's enough. It is about the money.

ASSEMBLYWOMAN MYERS: Al, do you have any questions?

MAYOR SCHWEIKERT: Sure.

Your honor, how do you feel about allowing pre-1980 housing stock to be applied to determining your fair share obligation?

MAYOR URGO: I feel very positive about anything that brings my number down at this point. There's too much housing in Roxbury Township. I think that's an excellent idea.

MAYOR SCHWEIKERT: And I had planned on asking you about the builders' remedy, but I don't think I'm going to go there now. (laughter)

MAYOR URGO: I think we're pretty clear on that one.

MAYOR SCHWEIKERT: Could you give us some insight on how you feel on RCAs? Have you used RCAs in Roxbury Township?

MAYOR URGO: We had-- There's a very older development where it was planned. I'm not sure if it actually ever took place. We do have a very large fund. I think we may have done it once quite a long time ago in the very beginning -- our first affordable housing development. I can't swear to you whether we still have the money or whether it was RCA'd.

It's all right. If you have an awful lot of money and can't find all the ways to spend it, maybe it's an option to lay off some of it just to reduce the workload of creating the program. But it's not-- I'm interested in creating affordable housing in our community. I'm just not interested in continuing to build it out at eight units an acre. RCA is okay. I don't object to it for communities where it's useful, but it's not our focus.

MAYOR SCHWEIKERT: You said originally that you were a blue-collar community. And I was wondering if it was typical for a blue-collar community to use RCAs.

MAYOR URGO: I don't know.

MAYOR SCHWEIKERT: Okay.

MAYOR URGO: You would probably have to ask COAH that.

But as I said, we have a need. We have people in town who have a need for affordable housing. And we don't object to providing it. It's just the fashion in which it's been foisted upon us that we're objecting to.

MAYOR SCHWEIKERT: Thank you.

MAYOR URGO: Thank you.

ASSEMBLYWOMAN MYERS: Henry, do you have questions?

MR. KENT-SMITH: You had talked a lot about senior housing. What's your position or thoughts if this Task Force made a recommendation to increase the amount of senior housing that could be built under affordable housing regulations? There are certain limitations now.

MAYOR URGO: Yes, there are.

MR. KENT-SMITH: Is that something that you think would be a positive for the State?

MAYOR URGO: Yes, it would be a positive for Roxbury. We have-- I have more seniors coming to me asking about affordable housing in town and new senior affordable housing in town than I have families or younger people. They seem to have the greatest need. So, yeah, I think it should be increased.

And once again, personally, I don't like all these designed limitations. I don't know that anyone is good enough and knows Roxbury as well as Roxbury does to know what our need is. I think we're perfectly capable of taking that money and designing a plan that fits well in our town without all these limitations.

MR. KENT-SMITH: Let me just follow up on what Mayor Schweikert had asked.

I'm a little bit familiar with Roxbury, but not all that familiar. Don't you have a larger older housing stock section of town?

MAYOR URGO: Yes, we do.

MR. KENT-SMITH: And that was housing that's now getting up in years -- need for rehabilitation-- Is that correct?

MAYOR URGO: Absolutely. And we have quite a few rehabilitations in our plan.

MR. KENT-SMITH: Okay. So utilizing money from the affordable trust fund and other incentives to help rehab your older existing housing stock would be another one -- you think would be a good way for Roxbury to meet its obligation.

MAYOR URGO: Absolutely. That's one of our intents.

MR. KENT-SMITH: And have you utilized accessory apartments or mother-in-law units or anything like that as part of your compliance?

MAYOR URGO: No, we haven't. We replaced the accessory apartment option, which was not being utilized, with the buy-down program.

MR. KENT-SMITH: Okay. So you didn't have much success in that aspect.

MAYOR URGO: No, we had no applicants.

MR. KENT-SMITH: Okay. All right.

Thank you.

MS. MARION: I'm going to ask one more question.

You talked a lot about the Fair Housing Act and COAH and, I guess, the builders' remedy. Roxbury has done a lot of things in terms of open space preservation, housing. And here's a good one.

I know probably a little bit too much about this, having been involved in it, but could you just talk about the State Plan and how it's applied to Roxbury and how you see Roxbury fitting or not fitting with the planning areas and the centers concept?

MAYOR URGO: Well, the State Plan hasn't had a whole lot of effect yet. I have a copy in my folder of the *Mount Olive* decision that was pretty exciting for most municipalities around there. We do have two affordable sites that are in Planning Area 5. And I don't know how that's ever going to wash out, quite frankly. There's a lot of things that are up in the air.

ASSEMBLYWOMAN MYERS: And they can't be changed, because they were under the court?

MAYOR URGO: I'm not going to answer that question. (laughter)

MS. MARION: That was a decision by the State Planning Commission where the township, at least the proposal -- at least the report or -- working with the county -- had originally intended to change. It was in a Planning Area 5. And based on planning area criteria, I guess the governing body, at that time, had determined that they wanted that to be changed to a suburban planning area, Planning Area 2. However, based on public hearings and based on the State Planning Commission -- only decided to change those portions that were developed and an existing sewer service area to a Planning Area 2. Those areas that weren't already developed or in an existing sewer area were to remain in Planning Area 5. So that was the history of it.

So it was the counties in support of the governing body's intention at the time to change it to a Planning Area 2. That was not-- That did not occur. There was kind of a compromise agreement in that case.

MAYOR URGO: The town was largely satisfied with the way the State Plan came out -- with the way the designations came out when all was said and done. There was compromise all over the place. Largely, everyone was satisfied in the end with how it turned out. Personally, I believe in the fact that

the State needs a State Plan. My big concern for the future of the state is drinking water. Morris County relies almost solidly on ground water. And we do very little to protect it. For that matter, we do very little thinking of it. We turn the faucet on. It comes out. As long as it does, everybody's happy, and nobody worries about it. And our future, I think-- That's our future problem. That's my biggest concern. And that's the main reason why, I think, New Jersey needs a State Plan, and it should be implemented, and it should be followed. I'm not sure I agree with everything I heard here today. I don't see a value in turning the Office of State Planning into a massive State zoning office, which is what I thought sounded like was being described.

I think the *Mount Olive* decision is a terrific decision. It's a good compromise. I know that if the State and/or the courts were trying to really ram the State Plan down every community's throats, there'd be a major revolt against the State Plan. And yet, the *Mount Olive* decision that I read seems to say that a town doesn't have to follow the State Plan, but if it does, it has the right and the ability to do so. And I think that's very, very important.

I can tell you there's a lot of three cheers going around in Roxbury, Mount Olive, and Morris County over that decision. It's a very important one, and I hope it stands.

ASSEMBLYWOMAN MYERS: Marty.

MAYOR PAGLIUGHI: Mayor, you mentioned that your tax rate went up, your water-sewer rates went up, your operating expense, basically, went up. What has your ratable base done since the early '80s?

MAYOR URGO: It's grown tremendously. Residentially and commercially it's just grown and grown and grown. It's continuing the trend of growing. We added in the neighborhood of \$3 million in ratables last year.

MAYOR PAGLIUGHI: Three million dollars in added assessments?

MAYOR URGO: Yes, last year.

MAYOR PAGLIUGHI: I mean, in an ideal situation, if the ratables are increasing, it should offset the increase for increased services, theoretically.

MAYOR URGO: Yeah, very theoretically.

MAYOR PAGLIUGHI: But we're talking equity here, where, apparently, part of the situation is creating a hardship for another group of people in town, your senior citizens.

MAYOR URGO: Yes, affordable housing is driving senior citizens out of their homes.

MAYOR PAGLIUGHI: I think it's probably based on-- Part of the problem is the property tax formula in the--

MAYOR URGO: Correct.

We have children going to school in closets. I went up to Nixon School in Landing to give a talk about the Succasunna Swamp, and I met with 13 children in a storage closet -- literally in a storage closet. And yet we have all kinds of units banging on the door. That's what the affordable housing laws have done for us. That's what has happened to Roxbury.

We had a \$24 million referendum -- school referendum to add on to all of our grammar schools -- went down a year and a half ago. They're going to bring it back. But there's all kinds of people who want to build all kinds of

units that we don't have a place to put the children. And it's very expensive. And it's a huge burden on property taxes, as you all know.

MAYOR PAGLIUGHI: Do you agree with the theory of the State Plan to push the development back into the existing areas of infrastructure and existing construction and upgrading it that way?

MAYOR URGO: Yes.

MAYOR PAGLIUGHI: Thank you.

MAYOR URGO: If I could just-- There's a piece of legislation that I wrote that I wanted to plug while I was here, because I had the feeling that it's in this committee. You might, if you're familiar with it, probably know what I'm talking about.

It's S-2248 and A-3305, and it combines property tax relief with COAH credit. It basically says that the affordable housing trust fund could be used to pay down property taxes of an income eligible senior citizen. And I keep being told that it's in the housing and urban affairs committee, but then I think I was told that it was referred to this Task Force.

ASSEMBLYWOMAN MYERS: No, bills are officially referred to this Task Force.

MAYOR URGO: Okay.

ASSEMBLYWOMAN MYERS: The Task Force does have a list of bills relative to State Plan, COAH, zoning, land use, all of those issues, that it is reviewing -- or reviewing the bills that are on that list. So, if you got a copy of that list, it doesn't mean that that bill is formally before us, but it may mean that we will include remarks or comments or recommendations about that piece

of legislation in our reports. So we're pleased to have you call our attention to this bill, and I'll certainly take a look at it. But no, it's--

MAYOR URGO: Thank you.

ASSEMBLYWOMAN MYERS: If it's housing and urban affairs-- I don't know, is that the Senate? It's not the Assembly.

MAYOR URGO: We refer to it as senior safety net. So you take the woman from Kenil who says she's going to lose her home, because she just can't pay the taxes. And it would pay down her taxes out of the affordable housing trust. Her house would become deed restricted. And if she passed on, her house would be sold only to someone income qualified -- one more way of getting an affordable unit without building it.

ASSEMBLYWOMAN MYERS: Have you gotten support from people that might use that mechanism for this bill?

MAYOR URGO: I haven't really gone out and sought support from people like that. I was kind of waiting to see if it was--

ASSEMBLYWOMAN MYERS: But if it's called in committee, you might get that question.

MAYOR URGO: Okay. All right. Well, thank you for that advice.

ASSEMBLYWOMAN MYERS: While we're in recess over the next four months, you might go out and--

I had a bill very similar when I was elected. And I couldn't even get it off the ground. But I just had a meeting, actually, with a group of senior citizens on it last week. So it's very much an issue that is throughout the state -- senior citizens that have been in communities all their lives. And despite the fact that we do have a senior citizen property tax freeze that is helping, it's still

a problem, and something municipal officials would like to do something about. So I would see if you can get some support for it and maybe talk with the COAH folks or people at DCA, which is what I'm doing, and see if you can refine it and get some support for it. It sounds like a good idea to me.

MAYOR URGO: All right.

And there's also a bill, S-2061 and A-2454, which would permit a municipality to amend its zoning if they had met their affordable housing obligation. I obviously would support that bill, also.

ASSEMBLYWOMAN MYERS: Aren't I a co-sponsor or co-prime on that?

MAYOR URGO: I'm not sure.

Thank you very much for your time. I appreciate your listening.

ASSEMBLYWOMAN MYERS: Thank you for coming.

Tom, Joe, thank you for waiting.

They also would have come to Hunterdon.

Tom trekked down to Trenton.

**THOMAS G. KENYON:** I have a statement.

It's been very interesting, Madam Chairwoman.

ASSEMBLYWOMAN MYERS: Could you introduce yourselves?  
Maybe not all the Task Force--

MR. KENYON: My name is Tom Kenyon. I'm a Vice President of the New Jersey Planning Officials.

**JOSEPH DOYLE:** I'm Joe Doyle. I'm the Executive Director of the New Jersey Planning Officials.

MR. KENYON: It's very interesting, Madam Chairwoman, hearing what the other people have said in great detail that I'm going to say very quickly.

However, I'm a committeeman in my town. I've been involved in land use since 1969 when I was put on the planning board of my town. And I've either been on the planning board-- I've lived in my town since 1967. I've either been on the planning board, the zoning board, the environmental commission from then until last year, when I was elected to the township committee. And we have struggled with our COAH obligation. We have struggled with our State Plan. We have done so much. And I want to tell you, with due respect to everybody, and Mrs. Bishop is a good friend, it has cost us about \$4 million just to settle our in-house COAH requirements. And we have given Perth Amboy \$1.4 million in RCAs. Every time I see Mayor Vas or he sees me, he throws his arms around me. I'm his best friend. (laughter)

Now, I must say we picked-- I think Mayor Vas is doing a marvelous job with the money. If you know how the redevelopment has gone along the waterfront, and if you drive through Perth Amboy, you see, by osmosis, it's moving uptown, and the areas are getting nicer and better and everything, and I think it is working. But it is his absolute dedication to this that is driving us. You have to-- That's probably the secret at the other end.

But anyway-- First of all, let me thank you for coming before you and sharing our thoughts of the lay planners of the State of New Jersey and the group we represent of over 800 planning and zoning boards. Joe and I differ on the number of professionals. He says 500. I say about 350. But anyway--

Our goal is to serve our members through advocacy, education -- information, outreach, and joining in union to assist them to perform the most difficult of any volunteer job of any municipality, and that is being on a planning board or a zoning board, because basically, it's a no win/win situation. Nobody wins because it's the people that the developers complain about, and the residents rail at them because they sold the town down the river.

But they are the people who sit at the table, ask the questions, listen to hours of testimony, pour over stacks of blueprints of site plans, and then render a judgment that they pray will help their community. So, with all due respect, one must assume they know what they are talking about.

With this in mind, the officers, the board of directors, the board of counselors, on behalf of the membership of the New Jersey Planning Officials, support the State Development and Redevelopment Plan with a couple of however's. There must always be a couple of however's.

Our first however has to do with cross acceptance. And my colleague, Mr. Doyle, will get into that a little deeper. We are a home rule state, one of 15. And we set our own course, and each town sets its own design and its own future through home rule. It is our view that the present procedure does not go far enough to allow the flexibility needed by each town. Perhaps the cross acceptance should come first and the planning areas second.

The second however addresses my favorite topic, which is equity. The Office of State Planning, the State Planning Commission, the State Plan, and even the Legislature has not addressed equity. And all for one paragraph in the printed State Plan -- that's the only paragraph that addresses equity in the whole thing. And it comes in many forms. Increasing and lowering one's asset

by law will bring time in court, believe me. We have two famous court -- two cases in there right now that will wind their way through the Supreme Court, the East Amwell case and the Readington case, where they down zoned -- for those of you that don't know down zone -- make it higher acreage per building lot. And even the farm bureau, I believe, is involved in the case in East Amwell.

So that's going to be, probably, the landmark decision to all of us and our -- citizen planners like myself that (indiscernible), if you all remember the flexible *D* -- would have a lot to do with it.

Someone recently suggested that one town should take all the housing and the next town take all the business and industry. Well, if that's not planning, I don't know what it is -- or equity, I don't know what it is.

And the last however is the plan itself as it stands alone. In the municipal land use law, the master plan is a guide. And believe it or not, the law says that the township committee does not have to adopt the master plan, even though the planning board must produce one by law.

And we feel the same way about the State Plan. There are many places, and I heard earlier -- there are many places where it will work and work well. There are many places where it will not work. You can't take a broad brush for the entire State of New Jersey.

The gentleman that was here from Cumberland County has appeared before me in one of my other positions. And he talked about-- He talked about so many of his towns being in CAFRA. CAFRA is exactly what the State Plan would be if it was implemented into law. They are told exactly every town from Sandy Hook all the way down to Cape May all the way around Cape May, all the way up the Delaware Bay is in CAFRA. Most of Cape May

County is in CAFRA. And CAFRA-- When you get down into the southern part of the state, CAFRA also goes inland quite a ways, maybe 10 or 20 miles. But those municipalities are told what they must do and what they mustn't do. And they are told what they can do and what they can't do. And as a result, in Atlantic County, because of this CAFRA -- in Atlantic County -- on the other side of it, we have two of the fastest growing towns in the United States, because everybody's going there. They're outside of CAFRA.

Now, you may say, "That's why we need the State Plan." No, no, no. That's not why we need the State Plan as a law. We need the State Plan as a guide. I can see where we must save our shore. I can see where we must save the pinelands, because it is such a huge aquifer. And that's necessary. And the Mayor of Roxbury talked about water. And I don't even want to get into that.

But in conclusion on my statement, it is our contention that the Plan stay a guide and not a law. It is our contention that through education and outreach, along with information and advocacy, the goals of the State Plan and Redevelopment Plan can become a reality to the benefit to all. NJPO stands ready to help in any way we can. In fact, we pledged our help to the commission chair the day of the adoption across the road in the War Memorial when it was adopted back in March.

And with that, I thank you for your time.

It's all yours, Joe.

MR. DOYLE: Thank you very much for having us here today. I think that probably in the discussions about the State Plan -- its impact and so

forth-- We want to take a little bit of a step back and try to understand the history of the Plan and perhaps talk to the people who really got it going.

Does anybody have an idea who started the State Plan?

ASSEMBLYWOMAN MYERS: The members of this Task Force were chosen, primarily, for their background on the *Mount Laurel* and State Plan issues. So I think-- And we've been meeting, really, since -- almost since January, so I don't think -- really think that at this point, we need to go back and talk about the origins of the State Plan.

We need to--

MR. DOYLE: I'm going to start a little bit-- I'm only going to start a little bit.

ASSEMBLYWOMAN MYERS: We need to see where we are now and where we're going to go in the next--

MR. DOYLE: And that's what I hope to do.

Just a brief accounting, because I'd like to point out the fact that it's our organization that started the State Plan. The New Jersey Federation of Planning Officials -- actually the New Jersey Planning Officials.

It was based upon the idea that the municipalities needed to have a State guideline to--

ASSEMBLYWOMAN MYERS: That was in what year?

MR. DOYLE: Well, actually, the start of it was in the 1980s -- the early part of the 1980s -- it was 1986 -- of course the laws were adopted. But it was-- Jim Gilbert was president of the Federation of Planning Officials. And he became the State Planning Commission chairman.

ASSEMBLYWOMAN MYERS: Well, I really, really don't want to get into this discussion, because there was a State Development Guide Plan since the 1920s that I know of, and maybe before that.

MR. DOYLE: I don't want to go into that.

ASSEMBLYWOMAN MYERS: The *Mount Laurel II* decision gave that State Guide Plan teeth. And that's the premise under which we work.

MR. DOYLE: Right.

ASSEMBLYWOMAN MYERS: I give you all credit for your work on the State Plan, but we really need to move forward.

MR. DOYLE: But I wanted to give you an understanding where we understand it to be -- and the State Planning Act -- and why the State Planning Act is so fundamental to where we are now and where we are going.

The State Planning Act encourages cross acceptance -- not only encourages it, but says that it has to be executed on all levels of government. And it does start with the fundamental aspect of municipal to county involvement through to the State level. Those local plans are to be cross accepted on the State level. The State agencies are supposed to look at those plans and say, "This is what the State of New Jersey, through its citizenry, has said to us -- we want to have as the quality of life within the state." That's the basis of cross acceptance.

Cross acceptance, therefore, is more of a sharing of plans on the local level, which is actually filtered through the counties, and the counties bring forward the intelligence to the State level, if you will. The State Planning Commission, the Office of State Planning are to take those and put them into the State Plan that is on the State level.

Where we are going, and I have to differ with Mr. Kent-Smith, is into the plan endorsement, because the plan endorsement, I believe, is not something which, in fact, is an ingredient of the overall intent of the State Planning Act, because it is now taking the Office of State Planning and bringing it into each individual municipality to gauge it into a consistency test against itself whether or not it has met the standards of the Office of State Planning and the State Planning Commission, not necessarily by the standards of cross acceptance. Cross acceptance is the important ingredient here, because it is actually the product of the local concerns. There is nothing in a local government scrutinized as much as land use, in particular, a master plan. When it is adopted element by element, there are several hearings. If it is adopted for consistency at a local level through the governing body, it then has to go through public hearings and a zoning ordinance adopted.

Consequently, you have the voice of the people on a local level saying, "This is the way we see our municipality. This is the way we need to have our infrastructure. This is the way we see the State and the county can help us." And that voice is brought forward to the counties. It is now going to be, through the plan endorsement process, a judgment on the citizens of the State of New Jersey as to whether or not you're right or you're wrong about your municipality. That really belongs, in a very, very fundamental way, according to the State Planning Act, within the jurisdiction of the county to municipality.

And I think that your question about how has the State Plan impacted-- I think we can very clearly address it. And Christine is, I think, the witness to the fact that it has helped to encourage municipal to county accord.

There was a distrust. There was not the type of interest -- mutual interest to see things happen.

We have seen successes in Burlington County. We have seen successes in Hudson County. We've seen resistances. We believe in a state plan, but we also believe in a state plan that does bring the cross acceptance process right on through to the State level so that the State cannot just say, "We're only going to build infrastructure in the urban areas and improve infrastructure, we're going to make the most efficient State of New Jersey as possible through the rules and regulations adopted on every level of State government." And that's what cross acceptance is all about, to really get down into the heart of what it is in this state that has kept it fundamentally a fine state and will continue to keep it that way.

So I differ in the fact that plan endorsement is the way to go. In fact, I take extremely the opposite direction on that. And I also view it as something that's very costly. If you take a look at the way that it's set up-- And, in fact, it can be an imposition on the municipalities, because this is a first generation of plan endorsement that has come up. Is it the beginning of a top down -- when the State Plan has been introduced and always touted on the basis of cross acceptance and being a grassroots plan.

So I thank you for your time, and I'm sorry if I bored you at the beginning with the history.

ASSEMBLYWOMAN MYERS: No, as soon as you got into the plan endorsement-- That's very valuable testimony, I think. But I'll defer to my Task Force members and see if they have any questions for either one of you.

AI?

MAYOR SCHWEIKERT: How do you define regional planning?

MR. KENT-SMITH: You always take my questions.

MAYOR SCHWEIKERT: I have to.

He's the Executive Director. He has to know. If he doesn't know--

MR. DOYLE: That's really a very interesting one, because regions are-- We have 21 regions, as we see it. I mean, those are the legislative regions. But regional planning is actually a harmonious blending of plans. And you can call it consistency, you can call it compatibility, whatever you want. You are, at least, providing, in a certain area, whether it is only two towns or twenty towns, efficient zoning, housing, transportation, and infrastructure in general. And I think a lot of towns have worked that through with or without the State Plan. But I believe it is something that, on a county level, can be discovered. And it can go county to county. Regions can be very extensive depending on what is involved, whether it's water or whether it's a local road or whatever. So regions are -- can be-- There are countless numbers of regions. And they can be identified for any purpose.

MAYOR SCHWEIKERT: When you say countless-- In this state, how many regions do you suspect there are? I can tell you how many communities there are. I can tell you how many counties there are. How many regions are there?

MR. DOYLE: Well, actually, I think our-- If you really look at our definitions or whatever you want to call it -- by semantics, it's the 21 counties that are the true regions. Within those counties, there might be a water authority, there might be other regions. But there also could be a region that

you could identify just for a necessity, just to say, “We are looking at this area right here,” and call it a region.

MR. KENYON: The DEP, in its-- To ask about regions-- The DEP took the 141 watersheds in the state and got it down into 20 master ones. Now, I sit on two of those boards, and both are quite huge. And in the case of one-- I’m wondering how we’re ever going to facilitate anything, because it runs from the Delaware to the Raritan Bay, from Trenton to Budd Lake. And that’s going to be-- That’s going to be-- That’s one of the regions. And that’s going to be a huge, huge, undertaking. I do not see anything really happening substantially for a while because it’s so big. I mean, that’s the problem. But they broke it down from 141 watershed regions to 20 major ones. So it can be a political region, it can be a topographical region, it can be whatever you want it to be.

CAFRA solved the whole problem by just taking the whole shoreline from one end to the other and up the Delaware Bay and said, “That’s mine.” That could be a region, which it is.

MAYOR SCHWEIKERT: I find an inconsistency between COAH and the State Plan in defining of growth regions where, I believe, the State Plan doesn’t designate where there’s growth or no-growth regions, and COAH does. Could you comment on that?

MR. DOYLE: Well, actually, the-- Area 1 and the center designations-- The plan endorsement is to identify the regions that are most suitable for the development of the infrastructure, as well as affordable housing. I don’t know that there’s necessarily an inconsistency. I have a more extensive

manner of thinking on that. And I'd just assume not go into that just today, because I'm not really totally prepared on it.

MAYOR SCHWEIKERT: Okay.

MR. DOYLE: But I understand your thought -- your thinking on it, and the inconsistencies. But there is a memorandum of understanding that exists with the Council on Affordable Housing and the Office of State Planning. There are struggles by the nature of both of their objectives or goals. And I'm not sure they're ever going to meet on every level 100 percent. So I don't know if that satisfies your answer, but I think we might share some concerns.

MAYOR SCHWEIKERT: No, that's all right. It needed to be asked, I think.

MR. DOYLE: Yeah.

MAYOR SCHWEIKERT: That's it for me.

ASSEMBLYWOMAN MYERS: Henry.

MR. KENT-SMITH: Since Mayor Schweikert always asks all my questions--

Well, let me get to the point on cross acceptance and plan endorsement, because it was really Mr. Bernard's recommendations which I picked up on, because I think there's some value to it.

Mr. Doyle, what is your response to Mr. Bernard's assertion that the State Plan is being used as a single-edge sword where municipalities are utilizing the benefits of the State Plan without undergoing any of the obligations of the State Plan?

MR. DOYLE: You know, son of a gun, that's okay with me. And I'll tell you why it's okay with me. The municipalities are under a lot of

pressure from the builders, from COAH, from the legislation, from the courts. Every time they turn around, there are more restrictions on them. And all of a sudden, they find a way of benefiting. And it's the State Plan. Now they're abusing the State Plan.

They have a mechanism-- The *Mount Olive* decision is a good decision, and it was reflective of the testimony of Mayor Urgo. And I think she said it very, very well -- that the State Plan -- we need a State Plan. It should not become a-- The Office of State Planning should not become a zoning office, or whatever it is. Let's give the municipalities a break, because municipalities are doing planning, and they are intelligent enough to make local decisions. They are mandated to come up with master plans and master plan reexaminations, housing elements, or their zoning ordinances are not valid. So they are under the gun to do all of this. And then the builders will come in or the courts will intrude with new rulings. And the Legislature is ready to adopt a kind of decision role, saying that the municipalities are acting poorly, taking away a piece of their authority.

It is a constant battle for municipalities to maintain their local quality of life under their own -- by their own will. And a lot of municipalities -- you look around this state -- have been created by will of the people. And this is a fine state.

MR. KENT-SMITH: But I mean-- Premise of the State Plan is that growth is to be accommodated in Planning Areas 3 and 5 through centers, and yet municipalities have been loath to create centers. How does your organization reconcile the fact that centers aren't being created, and therefore, under the State Plan, growth is not being properly accommodated?

MR. DOYLE: We might want to take another look at the growth acceptance process. We might want to take a look at how those centers were actually evolved, through what means. We might want to say that is this really, therefore, a grassroots plan, or is this something that's really being forced down the throats of the municipalities, and are they resisting. There are a lot of rules and regulations tied to this. There are a lot of obligations tied to becoming a center. And I've heard of individuals who have complied with the center process. They go through all kinds of hoops, and maybe never get any benefit from that.

But you've got to take a look at it from the municipal perspective without just saying, "Hey, we've got a grand idea, and that's plan endorsement," because plan endorsement, as I said before, is the Office of State Planning judging the will of those people from that local municipality and, perhaps, even overriding a cross acceptance finding from the county and municipal level.

So I don't disagree that there will be points of contention between the State Plan and the Office of State Planning with the local municipalities. There is, in the State Plan itself, the portion that has agreements and disagreements, and those will always exist. And those are acknowledged, and they are formally recognized in the State Plan. It is why the League of Municipalities and our organization does not formally endorse the State Plan, because it will benefit one municipality significantly and not the other. That is a policy of both the League, and we're an affiliate of the League, and our organization -- that if it substantially impacts upon one municipality favorably and another negatively, then we don't endorse. But that does not mean we can't encourage where municipalities can benefit.

So, you see, we are endorsing cross acceptance. We are endorsing that county level participation. But we're not endorsing the State Plan as the hammer, which was a word used before in relation to COAH.

MR. KENYON: If I may--

Besides that, Counselor, we have a very famous village in my town. And it is not a center. And the reason it is not a center is because it has -- it has very old houses. As a matter of fact, according to the COAH rules, I live in a dilapidated house. Just because it was built in 1726 doesn't make it dilapidated. As a matter of fact, the ex-governor also lives in a dilapidated house, because it was built in 1756.

One of the reasons you can't-- A center, to me, is a bull's-eye. And everything radiates out from there. But the biggest problem with the villages is the recharge for their wells. We have a village-owned sewage disposal only for the 88 houses in the village. But they all are on wells. And we have to have a recharge. So our open space plan is built around recharging our three hamlets in our village. We have no choice. And that's one of the reasons we can't ever be a center, because we can't build out from there, if you know what I'm driving at. We must have that recharge.

And as a matter of fact, I'm about to yell at the freeholders, because they're putting in drainage along a county road, which is well-meant, but it's going to hurt our recharge, because they're diverting the water away from the ground.

ASSEMBLYWOMAN MYERS: Let me just insert. If we could bring sewers into Oldwick--

MR. KENYON: We have sewers in Oldwick.

ASSEMBLYWOMAN MYERS: Okay. Then what are you talking about? Are you talking about Califon?

MR. KENYON: No, we're talking about the wells, Connie.

ASSEMBLYWOMAN MYERS: What wells? Where?

MR. KENYON: The wells in Oldwick.

ASSEMBLYWOMAN MYERS: In Oldwick. Okay.

MR. KENYON: The 88 houses that are in Oldwick are all on wells.

ASSEMBLYWOMAN MYERS: Okay. But if you could sewer those, are you telling me there would be no reason to oppose the center?

MR. KENYON: No, as long as you don't offer potable water and/or--

ASSEMBLYWOMAN MYERS: Right. But even-- What I'm saying is, even if you offered those two things, you're going to tell me the people in Oldwick are going to support--

MR. KENYON: No, of course not.

ASSEMBLYWOMAN MYERS: Not in a million years.

MR. KENYON: Not in a million years.

ASSEMBLYWOMAN MYERS: But that's what I mean. Don't imply to this group that there's only one or two reasons why there's not a center.

MR. KENYON: But there's also Cokesbury, there's also Fairmount, and there's also Mountainville. We have to do the same thing.

ASSEMBLYWOMAN MYERS: But they're throughout. I mean, Hunterdon is one of two counties that has absolutely no center -- no designated center.

MR. KENT-SMITH: And yet, that's a fundamental--

Connie, I don't mean to interrupt.

That's the fundamental premise of the memorandum of understanding in '93 -- was that in order for affordable housing opportunities to be developed throughout the state--

Let me ask you, gentlemen, do you believe in the *Mount Laurel I* and *II* decisions as being constitutionally correct? Are they correct? Do we have an affordable housing obligation in the State?

I'm getting a little agitated here. (laughter)

ASSEMBLYWOMAN MYERS: That's a nice little question for--

MR. KENYON: I'll answer the question, Counselor.

I'll tell you right now that we do have an affordable obligation throughout the state, but I believe it should be local -- take care of your own. You don't -- no regional assignment, no open space assignment, no income assignment.

I happen to live in the 199th wealthiest town in the country by pure happenstance. You won't believe one guy's income. And there's only 5200 of us in the whole town -- but the idea being we can take care of our own. We know who are on our welfare roles. We know whose houses have to be updated and brought up to code and things like that. But we don't want to be assigned somebody else's.

I work for an Assemblyman who represents Sussex County. Hudson County is in their district. Poor old Sussex gets-- Hudson County's practically built out, unless you want to talk about contaminated land. So everything is pushed up into Sussex County. And they get-- They have-- As the

Mayor said, they get an inordinate amount of fair share, which is not fair to them -- or is it fair to me.

MR. KENT-SMITH: Let me just follow that up with something that we're toying with. What if you tie your affordable housing obligation to a municipality's decision to develop employment opportunities? Let's use Hopewell for an example. I'm going to build 3.5 million square feet of office space in this town. Now, do you believe there should be an affordable housing obligation attended to that decision to build that kind of a ratable employment base?

MR. KENYON: If that is their decision to run their town, because it is a home ruled state, then let them take that into consideration.

My town has 4 percent commercial in the tax base -- 4 percent commercial, and a quarry is one of them.

MR. KENT-SMITH: I'm not at all unsympathetic to the concept.

MR. KENYON: If you want to grow-- Hardyston wants to grow -- up in the 24th-- They want to grow. Vernon wants to grow -- then they should have-- They should be able to take care of their own. I didn't say anything about forced in the future, but what is there now, and what would be there for affordable housing-- It should be a local issue, and it should only be a local issue. It should not be -- I agree -- everybody -- we should absolutely have -- make space for fair share, but it should be all based on a local control.

MR. KENT-SMITH: But local control would also include the employment and the jobs and everything that comes into a municipality in terms of a--

MR. KENYON: If you recall, when the solid waste came in, every town was assigned a tonnage. And they did it through the Department of Labor statistics. And we happened to have five or six big developers that lived in our town and worked out of their home. And they signed all their W-2s that they sent out -- were all signed in my town. You can't believe the tonnage 4000 people got, because they went by that statistic.

Only the local town knows what its problems are. Believe me. I sit twice a month and listen to them.

MR. KENT-SMITH: One last question.

MR. KENYON: Yes, sir.

MR. KENT-SMITH: This is, again, a philosophic question having to do with the State Plan. We are operating under a home rule that comes out of a colonial period in a 21st century economy that's worldwide in its scope. How do you reconcile the regional nature of everything we do with local control?

MR. DOYLE: May I? You're talking the State Plan.

MR. KENT-SMITH: Yes.

MR. DOYLE: I think we can very clearly take a look at the State Planning Act. The State Planning Act, in fact, encourages regionalization, but through the process of cross acceptance, which is local. And I really believe that by looking at that process, you will be able to develop an intelligent approach without plan endorsement, without a top-down heavy arm on the municipalities.

MR. KENYON: I think that's what the Cumberland people were trying to do with their 11 towns.

MR. DOYLE: And furthermore, I'm going to address something else. I worked for Westinghouse Electric Corporation in both Bloomfield and in Newark many years ago. I did communications work for them. And I can tell you that it's rather interesting. If a town, now, gets a ratable of the size you're talking about-- You're saying there should be, therefore, a mandated obligation to provide affordable housing. Well, I say, I'm sorry, with all due respect, that these things kind of flow. I saw Westinghouse-- Bloomfield, New Jersey is built around Westinghouse, GE, Schering-Plough, all of these companies, without any State mandates, and yet, everybody was housed well, employment was very high not just in Bloomfield, but for all of the Oranges, which was affected, then, by Edison and by another Westinghouse plant and all the attending plants.

When you have a successful manufacturing base without mandates, that successful manufacturing base or service base, whatever it happens to be, they generate the positives on their own. They provide. You have to remember, affordable housing is an obligation by the rules and the standards that came from *Mount Laurel*.

Do I agree with *Mount Laurel* to say in the principle that we have an affordable housing obligation? Yeah, I think we should take care of those that need that affordable housing.

Then the second part to that, because I know that you asked a very broad question on that *Mount Laurel* issue-- Are all of the rules and all of the regulations that must be enforced or that have been layered upon layer on top of the municipalities-- Are they the things that we have to accept, and are they legitimate? Do we have another three or four hours?

MR. KENT-SMITH: Well, it's very simple. How can you justify, then, the situation in which Hopewell has completely down zoned the entire municipality -- not require or accommodate hardly any residential growth and yet accommodates a 3.5 million square foot ratable development? Bloomfield didn't have that situation. Neither did the Oranges or Montclair or any of the towns built in that part of Essex County.

I've taken enough time. I'm sorry.

MR. DOYLE: But I well understand. I think we have an honest disagreement in that. But I would go back to the State Planning Act, and I would still look at cross acceptance and tell you that plan endorsement is not part of it. It doesn't seem to be, to me, intended.

ASSEMBLYWOMAN MYERS: Okay. My understanding of what plan endorsement is, is that there's been a lot of opposition to centers. And so they can't keep trying to require center designation. So they have to have something else. So now it's called plan endorsement. And I think they're coming out with regulations. And I don't think they're out yet. So we'll be watching for those.

MR. DOYLE: The center process is not so much in opposition to the center process as much as also, you're going to run out of centers, and you might be creating centers where you hadn't anticipated before. And that has been a concern of the Office of State Planning since word go. So they're looking for another process.

The plan endorsement process, while it sounds okay if it is based upon -- if it takes a look at the county plans -- takes a look at the regional plans and doesn't get into the expensive proposition of looking town-by-town and

holding towns up and adopting master plans or trying to slant their zoning ordinances, then I think we are going to be a little bit more in liking to what the cross acceptance process wants to yield.

ASSEMBLYWOMAN MYERS: Marty, do you have any questions?

(no response)

One of the recommendations that we actually are expecting to make at this point is to delete the language in the Fair Housing Act that says that fair share will be determined initially by municipal officials at the local level. And the reason we're going to do that is not because we're all against local control, but because it's not being done, never has been done, and is not likely to be done. So I just wanted to see if you had any reaction to that.

Currently, COAH determines numbers by using the census. I think the general feeling is that that will continue to occur. I think that COAH has a task force, just as we do, looking at other aspects of the formula. But that one, it appears that they want to stay with. And we're inclined, I think at this point, to go along with them. So I wanted to know if you had any input on that.

MR. DOYLE: As far as that is concerned, I am not prepared to speak for the organization on that issue today. My personal inclination is to agree. I believe that you're on the right track.

MR. KENYON: If you're taking it out, Madam Chairwoman, because it's never been used, why has it never been used?

ASSEMBLYWOMAN MYERS: Well, I think that's another question that's like hours.

MR. KENYON: I mean, that's the situation.

I live in a town-- And I live in a town that has an extremely small commercial base by design. I was there when we did it in 1969, by design. So my question is, since we have such a small commercial base, and since you have to go out of our town to get a job, why do we get saddled with 188 and 88? And it's purely because of per capita.

ASSEMBLYWOMAN MYERS: Per capita what?

MR. KENYON: Income.

ASSEMBLYWOMAN MYERS: Right.

MR. KENYON: We have one man in our town that pays taxes on over \$10 million.

ASSEMBLYWOMAN MYERS: Right.

MR. KENYON: Now, that will skew anything out in a small population.

ASSEMBLYWOMAN MYERS: That's another good point--

MR. KENYON: That's his taxable income.

ASSEMBLYWOMAN MYERS: --the skewing of small populations.

MR. KENYON: That's not entire income. But it just happens that way.

ASSEMBLYWOMAN MYERS: Regional planning is another thing, I think, somebody else said, we've really been trying to get a hold of it, and it's not easy. Do you think it's possible in New Jersey to have legally structured regional planning, or do you think it's only possible as much as the counties can encourage it through cross acceptance and that sort of thing.

MR. DOYLE: I think you might have a problem with legally structured. But I think that-- I've been involved with the planning officials for

over 20 years. And I have found that there have been a lot of municipalities and the like trying to get together to look at regional needs and so forth. And the League of Municipalities, in fact, does have county segments that get together. And they discuss the different things. But that's not on land use alone.

I think the State Plan is a good guide for regional planning because it gets the scope -- it gets the feel for what the regions need. And they can get it through cross acceptance, and they can get it through the county level.

The concerns I think we have are that the cross acceptance process has not been fully utilized by the municipalities. And the municipalities should really get on board and get their master plans forward. And what the Office of State Planning has done, unfortunately -- and the State Planning Commission has-- They have assumed that if your municipality has not participated, therefore, what we say will go. And it's somewhat of a subversion of the process.

The Office of State Planning also took it upon itself, with the State Planning Commission-- It's the State Planning Commission-- If you take a look at the State law, it says that cross acceptance has to be executed every three years. And they, instead of going the three-year period in the beginning, you can say, "Okay. It took time for them to organize and get the first State Plan off the ground." But what they actually did was they held hearings that created this process. And it was a real rap against municipalities, as it came out. And I'm going to be very frank on that. And then they said, "Okay. We're going to get into cross acceptance." They started to get into the rule-making process before the cross acceptance process was done. And they said, "Well, we're going to

have to get the rules in,” and then started to try to push the State Plan language into legislation.

These are things that we’re very concerned about, because the plan is a dynamic. It is intended to be a dynamic. It is intended to keep the municipalities alert. Every three years is not too bad, if you really stop and think about it. That means that they’re not going to be able to sneak in rules and regulations. It might seem to be an imposition.

I believe the process has to be refined, and I think it can be done. And I would like to see the cross acceptance process really have meaning. And that’s basically it.

Yes, regionalization can be accomplished with--

MR. KENYON: Cross acceptance, if I remember correctly, does not talk much about regionalization within the town.

I’ve been on our cross acceptance team twice, and we go to Washington, and we’re surrounded-- We go to Bedminster and we go to Readington, and we go to Lebanon, which are the towns that surround us, and we ask them what they’re doing. And they tell us, and we try to match things up. The river corridors are all PA 5s -- every one of them.

Up in the northern end where I live, up next to Washington, it’s a PA 4, and it’s on both sides. In other words, the only way you can tell the difference is the town line goes down there.

ASSEMBLYWOMAN MYERS: But one of the things that’s always troubled me about cross acceptance is that when I asked some municipal officials in my counties where they are with cross acceptance, do they agree with the planning area designations, I get blank looks.

MR. KENYON: Oh, absolutely.

ASSEMBLYWOMAN MYERS: I get-- “Don’t you have someone designated to work with the county on the State Plan?” “Maybe.”

MR. KENYON: Oh, yeah.

ASSEMBLYWOMAN MYERS: And one of the things I’ve wondered about is, if we’re going to, as many suggest, try to clarify and refine and focus on exactly what we’re talking about and what are we really all agreeing to here, shouldn’t it be a vote of the governing body to adopt that map for that town?

MR. KENYON: I remember taking our recommendations back to the township committee, and they agreed -- the planning board and the township committee.

ASSEMBLYWOMAN MYERS: But that doesn’t happen in every town.

MR. KENYON: No, it doesn’t happen in every town.

ASSEMBLYWOMAN MYERS: It doesn’t even go back in most.

MR. KENYON: And that’s what Joe was saying.

ASSEMBLYWOMAN MYERS: That’s what I’m wondering.

MR. KENYON: We have to--

ASSEMBLYWOMAN MYERS: Would that be a good recommendation, in your opinion -- to have cross acceptance -- whatever the map is -- at the end, reviewed by the governing body? I mean, if we’re going to have the courts -- it seems to me -- determining that the State Plan should be applied, you’re basing it on a process where you have the local governing officials-- They don’t even know what the map is.

MR. KENYON: Correct.

MR. DOYLE: It's a very good point. It's not something I really thought about extensively. But I'll tell you what -- the way I believe-- You're going to find your zoning map is going to reflect cross acceptance, ultimately. Your master plan is adopted by the planning board. And that is so your public hearings are done and the planning is occupied with the process and not the governing body. And then the zoning ordinance is adopted by the governing body.

ASSEMBLYWOMAN MYERS: But my question there would be, isn't it a process then where this one person is working with the county, and there's cross acceptance -- done deal -- and it's done in Trenton, and it's adopted, and then the governing body and the planning board are -- have to -- almost have to put it into the zone ordinance and the master plan. I mean, aren't we going kind of top down with cross acceptance that way?

MR. DOYLE: Assemblywoman, I think that what we want to do is to really take a look at the cross acceptance process, because those deer in the headlights looks come to me, too. And I really know exactly what you're talking about, because that is where the -- if I can use language as the excuse that is given to the Office of State Planning and the State Planning Commission to do what they want to do and say, "Okay. We've done cross acceptance." If you go to any of the State Planning Commission meetings -- go to any of our seminars where the Office of State Planning presents the plan, they will show you their State Plan book, and it will say cross acceptance all over it. Not one time will that be mentioned in any of the presentations to say this is reflecting

cross acceptance. They will say, New Jersey Future and NJEC has proposed plan endorsement. And we say, "Where is this from the people?"

All I'm saying is that cross acceptance is in the State Planning Act. And I don't know-- I think that it was all refined with -- was all with good intentions, but it has not been refined. And I believe it has to be revisited, because it is such a fundamentally, philosophically correct type of an approach to this plan.

ASSEMBLYWOMAN MYERS: Well, I would ask that you and your organization -- if you have recommendations for changes to the cross acceptance process that you feel should be reflected in the statute -- if you would get those recommendations to us this summer--

MR. DOYLE: Okay.

ASSEMBLYWOMAN MYERS: We are hoping to issue a report by the fall. And we'd like to flesh out these things as much as possible, because I think one of the problems that we've had is that this statute is foggy or inadequate in many areas. And it's creating problems, and so we don't want to create more problems.

And the last question I have for you--

And then I promise, Mike, you can get your chance.

We are looking at recommending a 10-year cycle for both COAH and the State Plan. And certainly I have spoken with them and said, "Well, I won't support it unless there's very definite mechanisms along the way to amend the State Plan, to go back and revisit, and to change obligations and stuff. But I would like your input on that, as well.

MR. DOYLE: With all due respect, I have thought this through, because it's just not something that has come up for the first time. This came up about four or five years ago -- to extend the cycle. And until, actually, I believe, the process of the whole State Plan is determined to be a grassroots effort, as it's intended to be, I would be very, very reserved in endorsing an extension of that process. Herb Simmens told me that they're looking for five years right now.

I am very much afraid that within that 10-year period, as we have witnessed in the first 10 years of its life, that there will be a lot of muscle flexing and rules that will be not necessarily from the grassroots level on the cross acceptance plane.

Before going ahead with endorsing a 10-year cycle, or an extension of it, I would rather see the cross acceptance process refinement accomplished first. In fact, I think that if we-- I have thought this all the way through, because, as I said, this has come up before. I believe that if, in fact, we get this under control and we go through the regular stages of cross acceptance in the proper manner, that eventually it can be extended. But it is a little too soon to do that.

ASSEMBLYWOMAN MYERS: Okay. Thank you very much.

MR. DOYLE: And incidently, excuse me, you'll find that the municipalities won't always agree. They're going to say, "Oh, what a burden." And if they take it on the other side and they see that the cross acceptance process is actually going to be a little bit more refined, as I said, they will then see that, "Okay. It's not so bad to do it every three years." And then once we get it under control, let's look at it and eventually adopt it as an extension.

ASSEMBLYWOMAN MYERS: Well, we very much appreciate any input on the refinements for cross acceptance.

MR. KENYON: We will do that. We will do that for you.

ASSEMBLYWOMAN MYERS: Thank you.

MR. DOYLE: Thank you very much.

MR. KENYON: Thank you.

ASSEMBLYWOMAN MYERS: Mike, come on -- all the way down from Warren County.

**M I C H A E L K I N G:** It's not too bad, because it just so happened I had a meeting in Trenton this morning.

ASSEMBLYWOMAN MYERS: Oh, good.

MR. KING: But it is real nice out there. I've been kind of looking back there all the time. But there's a lot of interesting conversations going on here -- lot of information.

My name is Mike King, and I'm with the Phillipsburg Riverview Organization. I did come to comment about a few things, and I forget what they were, but they're quite relevant to-- As soon as I look at my notes, I'm sure they'll--

I thought to myself, well, what did I have to say. I couldn't even think-- What would I have to say? And then I -- "Well, gosh, I probably lost how many years of my life having to deal with the impact of COAH on the rural community that is all around Phillipsburg.

The Phillipsburg Riverview Organization is a downtown revitalization organization for a troubled city. And I have spent the majority of my time dealing with everything in the towns around it -- not the -- you know,

the growth that's exposed to-- There's a highway coming through. I don't mean to say it's all COAH's fault, but it blew open the water. And I spent a lot of my time stopping that from happening -- an irreplaceable resource in Pohatcong -- in the Pohatcong grasslands where this incredible landscape-- You just can't believe it when you see it -- 1600 houses planned.

Okay. Well, we did manage to stop the first 1000, and we're still stuck with another 600 adjacent to that. And while we're all thinking about this cross acceptance process, I just have to say, though, that when this entire struggle in Pohatcong did reach some kind of peace where it was able to look around and realize, well, look at Greenwich. There's 1500 houses over there, and Lopatcong's -- and the whole thing.

So, in the last few years, I started committees in the seven southern towns in Warren County with the intention of trying to deal with this cross acceptance process. And what I basically found is that the towns were not really participating. There was no actual procedure. So when I would go to them in Lopatcong, they would go, "What do you mean, 3000 acres are changing to growth?" Well, don't you know this? Or in Alpha or in Harmony -- well, Harmony wasn't changing the growth.

Five thousand acres were changing. What an arduous task it is to go town to town and have a map and have the officials not know what you're talking about. And you have a county report that's saying what it is. And they actually go in there talk about how they did it. "Well, we didn't actually meet with anybody in Alpha. We looked at their zoning." Oh, no wonder nobody in Alpha knows about this. Or in Lopatcong -- "Oh, they met with the engineer and somebody else." And they go town to town. It's like-- This is ridiculous.

And I did write, as part of this process -- and the part of the -- spending this year and a half trying to deal with this impending 5000 acres of changes around Phillipsburg-- I did write five pages of comments to the State Planning Commission. And one of the major things was about doing something about this cross acceptance process, because nobody knows what's happening. And none of the officials know.

And when you look at it, you realize that the county planning office had its design. It more or less came to the conclusion that it wanted town to town and sent it down to the State. And that's what we were dealing with. And it was a very long, difficult, and unpleasant process. And I found out the towns, basically, didn't know what was happening to them.

The two things that I did come with in mind -- on my mind to talk about were the builders' remedy, first off. And the builders' remedy, perhaps, has a place, but the hammer analogy -- metaphor of a hammer has been used here today-- Well, it's more like a sledgehammer that's trying to get a little nail in, because when a town is not in compliance and has an obligation in Pohatcong of something like 26 units, instead of losing its zoning based on some formula that would make sense for COAH -- maybe 126 units, maybe -- but no, no -- get like a thousand. It's got to have 2000 or more -- it -- where--

So, in other words, when it gets to the judge, the judge has no guidelines. The judge becomes an arbiter between the township and the developer. And they come to some kind of deal for whatever agenda they might happen to have. And they might not even be against things happening. They might-- The township officials might actually be very happy that these things are happening. They cloak themselves behind this remedy. And when they --

if a township, let's say, in Pohatcong has an obligation of 26, and you're using some kind of formula, the judge should know that that only involves 126 units. That would be the most that the township would lose its zoning for. But what happens instead-- The judge is an arbiter of this -- anything could come in front of him. And as long as everybody agrees to it, he signs off.

The inclusionary and noninclusionary aspects of the builders' remedy get to be a big joke and a shell game where they're -- let's say in the settlement in Pohatcong -- 526 units are what's finally supposed to happen. The township has an obligation now of 26 units. So they have-- A court assigned -- a judge assigned that they -- this is what they're going to get. At the time, they were in fear -- they were going to get 1600 -- not that this 500 was good -- "If we don't do this, that's what we're going to get." But when the developer is coming in with the plan, suddenly now we have 126 bonus units, not only 80 bonus units. The affordable units are on top of a commercial space. And the original concept for the bonus was that somehow all the other units were subsidizing the affordable units. That's not what's happening now. The affordable units are carrying themselves. And it's just allowed hundreds of more other units -- inappropriate units.

And in Phillipsburg, we have boarded houses up. We have boarded houses all over town. Where I live, there are four boarded houses on my street. This is a mile away. It's unfathomable to be bleeding for a town that you love and also lose all the -- all your countryside. You lose the city and the countryside. It's the same process. And it's very unacceptable.

And I'm mentioning a few things that have happened where the judge doesn't have anything to look at. And then there's some kind of bonus. But just by trickery, there's really no need for any bonus.

ASSEMBLYWOMAN MYERS: But, Mike, I think we're all here because we agree that there are serious problems with the law and with the way it's been carried out, particularly, by the courts. And we are looking at if we can take the builders' remedy out by statute. But the question we've had is if we do that, do we need another hammer. And you may have heard the only testimony -- the only response, I guess, we got to that today was why do we need a hammer anymore. And I kind of do think that most of our towns are aware of the obligation and are cooperating. I don't know. I guess the numbers don't show that yet. But that's my impression.

But do you have any-- Have you thought about that, or have you heard any discussions about how -- what we replaced the builders' remedy with?

MR. KING: Well, you might get what I'm saying is that first off is that the builders' remedy is so unspecified or allows such crazy and wild things to happen that-- So, instead of the township-- The punishment is so severe.

ASSEMBLYWOMAN MYERS: But are you saying you would support a builders' remedy if it were more clearly defined in law? Do you want us to do that -- work on a clear definition of the builders' remedy so that the courts have specific guidelines? I hadn't thought about that before. It's an option.

MR. KING: Well, if we're going to have it, I'd say -- then I'd say that the judge needs some help in that. Actually, do we need it anymore?

You're saying well-- When you think of these communities -- Pohatcong, Alpha, Lopatcong, the whole place is affordable.

ASSEMBLYWOMAN MYERS: Right.

MR. KING: I'm not sure why they have any obligation, because when you build affordable units, you are -- you would hope that you could build communities like this. Why Phillipsburg doesn't have an obligation and is, instead, the recipient of the large -- I don't know, because -- or why would Alpha-- I mean, Pohatcong -- a medium house is \$117,000. The whole place is affordable. And in Harmony, which is almost entirely agriculture -- to have to build -- to lose all of that-- And when it is an affordable community--

All right, so in the last decade there has been some -- there's been more growth where people who are not -- who are-- Maybe there are some houses heading to \$250,000 and \$300,000. But basically, it's-- The houses are between \$60,000 and \$190,000. The whole community is affordable. So why does it have to-- Why shift the population from one side of the state out to the other side of the state? Why give up all the economic potential -- the land -- irreplaceable farmland, when it doesn't make sense, especially when you have a city we're going to lose right in the heart?

So do we need a builders' remedy? Well, we don't need a builders' remedy to force Alpha to get more affordable units, because the whole place-- There's nothing but affordable there.

ASSEMBLYWOMAN MYERS: Well, just to reassure you, I think that there's a consensus on the Task Force to recommend strongly that the Legislature adopt more liberal crediting provisions. It's something that's come up, I think, every time we've met -- is that there are many affordable towns that

have a COAH obligation simply because all towns get numbers under the current process. So I think that you will see us recommending that we adopt legislation that will require COAH to permit the crediting of more units when they're actually affordable. Exactly how we're going to do that has to be worked out over the summer. But that's something that I think there's very strong agreement on.

MR. KING: We, at this particular juncture, with the census data coming out in Pohatcong-- We're looking -- where possibly 35 or 40 percent of the population are seniors on a fixed income, and we are seriously considering a class action suit. I will approach the Mayor that was here before -- that these affordable communities will have to subsidize richer people if these-- If what happened -- what happened in Roxbury has to happen in Pohatcong, it will no longer be an affordable community. Those people will be forced out of there. So I'd be very happy to see adjustments in that.

I also wanted to say that the center designation process itself needs another look. It's been a very bad experience for us.

ASSEMBLYWOMAN MYERS: Well, you may have heard before, they're looking at plan endorsement, not center designation anymore.

MR. KING: Yes. We had, after the -- 1000 houses were stopped on the Pohatcong grasslands and almost 600 were settled on. We appealed that. Our case was the township should lose no more than the zoning that they need to provide that affordable units -- like 126 units. They shouldn't have to get 600 units.

There was a court rule. The judge -- the Superior Court ruled, and he issued his order, and we read it. And then his final order of compliance was

issued, and no one read it. And what we did see was that there was this little phrase -- just three words -- "They will not have to go for center designation." That's more than three words. And this site will not have to go through the center process. This site, by virtue of it being a COAH site, is a center now -- no environmental review at all. How is this possible? Well, that's what we have. And we appealed to the Appellate Division, and they didn't seem to find any-- I mean, even the fact that there's a discrepancy about the judge's order, and then what his final order of compliance was-- But the judge issued a center.

I mean, we were -- and everyone was -- even the developer was agreeing to go to it -- to try to go through this process, because we did not feel that they would be able to get through that process. So I wanted to bring that to your attention -- that the judge actually just issued it. And we appealed all around that, and it was like everyone was just delighted, COAH included. "Fine. Oh, this is just what we wanted."

And also, I did want to mention, especially in reflecting upon all the comments about the center designation process and -- leave it up to the towns. I'm not sure that -- about that, especially from the experience in Washington and Washington Borough.

Here's another wonderful little community built like these old communities were built. You can walk around. They have a wonderful little downtown. And a center designation includes the Borough, and the Township wanted to -- a center designation the size of Trenton. The State Planning Commission was able to tear that in half.

ASSEMBLYWOMAN MYERS: That's not true. I handled that.

MR. KING: Well, this is what they say.

ASSEMBLYWOMAN MYERS: No.

MR. KING: Okay. So, anyway, they are busy preserving their center. They have a center now, and they're buying it -- preserving open space in it.

I don't think, in this case, the township knows if it's coming or going. And perhaps it's part of the cross acceptance process problem. I wasn't involved in looking at how they did their cross acceptance in that borough and that township. But I wanted to bring that to your attention, as well -- that there's something wrong here. And perhaps the Assemblywoman could tell us how, in this trout production creek area-- I mean, these are sensitive lands -- how this is now--

ASSEMBLYWOMAN MYERS: You mean the portion of the township that's in the borough's center? Well, now the township would like to get out of it. And the borough doesn't want any more density. And they're trying to preserve-- I mean, everything's turned around since we got it, which was what, two or three years ago?

MR. KING: Yeah.

ASSEMBLYWOMAN MYERS: As the antidevelopment--

MR. KING: Sentiment.

ASSEMBLYWOMAN MYERS: --sentiment gets stronger and stronger-- I think at that time it was just looking for State aid for centers, which was the carrot for centers. If you sited a center, we'll give you more State aid, we'll facilitate that. And they were looking for State aid.

MR. KING: I'm a strong believer in revitalizing our cities and not losing so much of our -- not losing our cities and our land. And this thing I was

talking about -- Lopatcong -- 3000-acre changes that the State Planning Commission had been going to do -- was only going to have 3000 more people on it. Why? We've got plenty of lawns already -- don't need those giant lawns like that, especially when you have Phillipsburg just ready to be redone and to be the center of the area. We don't need more -- for centers. And I think the process of how they get a center has to be looked at very carefully. We can't have a judge issuing a center.

I did go to a bunch of State Planning Commission meetings. And I did go the meeting where they were looking at the map changes in all the state, and it was county after county-- They put the map up -- "Oh, they're preserving a few hundred acres over here, let's give them a center over here." And that's as much as it seemed to be. There didn't seem to be much more reasoning than that. "They have a highway there." "Oh, okay."

You know what? My point-- And this is really, I guess, the last point that I have to make -- is that it's going to be hard to revitalize a city if the economic energy keeps going out to these other places or to these new centers. It doesn't make sense, at this juncture, to be making new centers when we have the wonderful old neighborhoods and neglected downtowns and old industrial buildings sitting, waiting for people to come back.

ASSEMBLYWOMAN MYERS: Absolutely.

MR. KING: Thank you very much.

ASSEMBLYWOMAN MYERS: Any questions Al, Henry, Marty?

(no response)

Thank you very much for coming down.

And that concludes our hearing.

**(MEETING CONCLUDED)**