

ML2 - Round Valley, Incv.
Twp of Clinton

7/5/77

Stenographic Transcript of Trial
Proceedings

witness

- George Akahasi

P 138

MLCW434S

A 194 SEP 1979

A 37 SEP 1080

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: KUKTERDCN COUNTY
DOCKET NO. L- 29710-74 P.W.

A-2963-77

ROUND VALLEY, INC., a
corporation of the State
of New Jersey,
Plaintiff,
vs.

:
: Stenographic Transcript of
: Trial Proceedings

TCWNSHIP OF CLINTON, a
Municipal Corporation of the
State of New Jersey, TCWN-
SHIP COUNCIL OF CLINTON, and
PLANNING BOARD OF CLINTON,

: Place:
: Hunterdon County Courthouse
: Flemington, New Jersey
: Date:
: July 5, 1977

Defendants. :

BEFORE: THE HONORABLE THOMAS J. BEETEL, J.C.C.

TRANSCRIPT ORDERED BY:
ROGER CAIN, ESQ.

FIRST COPY OF

JUL 20 1978

TRANS. FILED

A P P E A R A N C E S :

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Official Court Reporter
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OPINION FILED

MAR 5 1980

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PENGAD CO., BAYONNE 07002 FORM 2046

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I N D E X

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
George T. Akahasi				
by lir. Sterns	14		122	
by Hr. Sutton		31		
by Mr. Cain		91		130

E X H I B I T S

<u>NO.</u>	<u>DESCRIPTION</u>	<u>IDEN.</u>	<u>EVID.</u>
P-96	Document, Bureau of Labor Statistics for Release 4/27/76	25	
P-97	Document, Current Population Report	25	
P-98	U. S. Department of Commerce, Bureau of Census Report	27	
P-94	Exhibit previously marked for Identification		30
P-99	Document	49	

CITATIONS:

- Borough of Cresskill- - - - - page 63
- NAACP v. Mt. Laurel. 67 N.J. 200, 201 - - " 5, 33, 49, 64,100,101, 102,119,120, 127
- Oakwood at Madison- - - - - page 5,3,11,33; 48,64,119,12(p), 127
- Slip, 72 N. J. 537, 542 - - - - - page 128,129
- Paales of Evidence - - - - - page 5

PENGAD CO., BAYON J. 07002 FORM 204E

1 (Transcript of proceedings of July 5, 1977, commencing
2 at 9:45 a.m.)

3 GEORGE T. AKAHASI, previously sworn,
4 recalled.

5 THE COURT: I'm sorry for the delay here,
6 gentlemen. Being the only one here, I get
7 everything.

8 Now, could we ascertain what parts of
9 Mr. Akahasi's report that you feel you want to
10 object to, Mr. Sutton, or are you prepared directly
11 to cross this morning?

12 MR. SUTTON: Most of the report I have no
13 objection being placed into evidence. Much of
14 the report is, of course, statistics. The statisti:s
15 seem to be coming from reliable sources. However,
16 I think that Mr. Akahasi should state under oath
17 that the report is not under oath, so there should
18 be something under oath that the statistics are
19 correct, as a matter of form.

20 More than anything else, it will also be
21 my understanding that our planner has been on
22 vacation so I have not been able to go over this
23 with the planner. There may be later statistics
24 and we would, of course, be open to that.

25 THE COURT: That is in your case and you

1 wouldn't be precluded from doing that. Of course,
2 that is in your case, of course.

3 MR. SUTTON: So, as far as the statistics
4 are concerned, I have no objection. That is a
5 great deal of the report. There are a number of
6 news releases, Section 3-4, there is a news release.

7 THE COURT: Just a moment now, wait until
8 I get the exact one, 3-4.

9 For the record, this report is set up in
10 such a way that three is in Roman numerals as a
11 section, then 4 is page 4 of the report.

12 That is entitled Population Employment
13 Trends in Fourteen North New Jersey Counties.
14 What paragraph are you referring to?

15 MR. SUTTON: The footnote, a news release.
16 I don't think any of the news releases are compe-
17 tent evidence.

18 THE COURT: Weil, it may not be per se, but
19 it provides a news release dated June 16, 1975:
20 "The Regional Plan Association makes the following
21 observations. The recent U. S. census announces
22 that America is —." That doesn't really -- I
23 don't think that detracts anything from this
24 testimony. It is showing you part of the source
25 of his testimony.

1 If you want it not to be considered, I
2 consider Footnote 6 as not overwhelmingly a
3 problem.

4 MR. SUTTON: The next news release would
5 be Roman numeral V, page 6.

6 THE COURT: Roman numeral V, V-6. It is
7 a little footnote which refers to paragraph -

8 MR. SUTTON: That will be paragraph 2.
9 Additionally, we note that an article in Sunday's
10 New York Times real estate section -

11 THE COURT: Well, the fact that New Jersey
12 Bell is moving its headquarters from Manhattan
13 to Basking Ridge has been pretty much a matter
14 of common knowledge for some time.

15 Additionally, whether A. T. & T. is running
16 its college retraining program over in Hopewell,
17 New Jersey, and relocating people there, all
18 throughout Hunterdon County and Delaware Township,
19 who I know took a number of those people, and
20 Raritan Township took a number of them, I don't
21 see how we can really divorce ourselves from the
22 fact that we know that these corporate entities
23 are providing relocation services for their
24 employees.

25 MR. SUTTOK: It is not the content that I

1 really objecting to, it is more procedure. That
2 these are newspaper items rather than something
3 like a U. S. census.

4 THE COURT: He is available to be cross-
5 examined on these. He may have independent knowl-
6 edge of A. T. & T.'s activities over and above
7 that. If you want to cross-examine him on it,
8 fine.

9 To say that procedurally it is hearsay, it
10 is a judicial statement and it doesn't fall within
11 the exceptions to Rule 63, the sub part thereof,

12 I think part one of the Rules of Evidence
13 says that judicial notice can be taken if in fact
14 there are facts of which we can judicially take
15 notice thereof.

16 After the Oakwood at Madison and Mt. Laurel
17 cases, so forth, with all of the people moving
18 around, why don't we say as to that, we can cross-
19 examine him before I rule on that one.

20 MR. SUTTON: Then also on 3, Manhattan
21 Savings Bank, this also is hearsay. It mentions
22 only one bank, and we don't know, it is just from
23 one source and is hearsay. I am not certain that
24 it is reliable.

25 MR. SIERNIS: Your Honor, may I just interjec.

1 to save time at this point? I don't want to
2 interrupt Mr. Sutton, but this is one of the
3 problems that come up. I know it is honest, but
4 nevertheless, a misrepresentation. -The Manhattan
5 Savings Bank was directly the source which
6 Mr. Akahasi interviewed.

7 What we can do, if we raise these points,
8 I can ask Mr. Akahasi to demonstrate that there
9 is more than just Manhattan Savings Bank and it
10 is not a clipping, neither was the census data.

11 **THE COURT:** What you are talking about is
12 that all the banks have a form by which they calcu-
13 late what income an applicant must have. You know
14 that, you do a number of closings yourself for
15 various banks. You know that someone has to have,
16 I think the one I heard was that one week's
17 income should not be exceeded by the payments.
18 That is one formula, 257* of the monthly income,
19 which seems to be a limit as to some banks. Other
20 banks have a third, or no more than 20% of the
21 income, and maybe savings and loans have another
22 approach. But there are different approaches as
23 to whatever it is that goes for them to grant a
24 loan.

25 So if you want him to testify on page 3,

1 section V, page 6, I will let him testify to it.

2 What else?

3 MR. SUTTON: Then on Roman numeral V, page 9,
4 that is the second paragraph. There is a reference
5 to an article in the Hunterdon County Democrat.

6 THE COURT: Now, there it says, The Hunterdon
7 Democrat says, "Younger people who grow up in
8 Hunterdon County have experienced difficulty find-
9 ing residences in the County in which they grew up."

10 I wouldn't need that footnote. I know that
11 in the District Court, from the landlord and tenant
12 matters, that in Hunterdon County there is a short-
13 age of houses. We have to go overboard with young
14 married people who are dispossessed to give them up
15 to six months to find houses.

16 What that article says, I know that that
17 is true, from the District Court and landlord and
18 tenant situations.

19 MR. SUTTON: There are other factors also,
20 whether or not they are responsible people.. There
21 is also the fact that many of them have trouble
22 finding employment, we all know that. But should
23 something from a paper be taken as evidence, we
24 don't have all the factors.

25 THE COURT: I am perfectly willing to look

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.he^{re} are factors, such as transportation.
Xhere is very considerable study necessary as to
aUofthe townships in these couaties, and to the
State.

.TO COOK: That is your opinion. «hat you
Wd do then is, you are not talking so mach
about the admissitalxty of his^{i ^ 4 Mim of his} testimony, as the
weight of his testimony.

Xt is up to you on cross-examination, to

^ _ «-»« «if there

1 numeral, VI-1. Mr. Akahasi Constantly uses the
2 plural.

3 He had testified that he, although the
4 firm's name is George T. Akahasi and Associates,
5 Inc., that he works by himself.

6 Now, throughout this portion all we hear
7 is "we, our". I think that there should be an
8 explanation whether or not he had assistants or
9 whether or not this was solely his work.

10 **THE COURT:** You want to explain that,
11 Mr. Sterns, request it of your witness, please?

12 **MR STIERN:** I would very briefly question
13 Mr. Akahasi only on the points that were raised
14 by Mr. Sutton.

15 I do want to point out, with regard to
16 Mr. Sutton, I think he has misstated the reason
17 that Mr. Akahasi is offered as an expert.
18 Mr. Sutton has just stated that Mr. Akahasi was
19 retained to decide or determine the marketability
20 of the units. That is not at all true.

21 His report, which has a cover letter dated
22 March 10, and the depositions which you took,
23 Mr. Sutton, should indicate to you that he was re-
24 tained specifically to decide what or to give the
25 basis of his expertise as a land and housing

1 economist on the need for housing in this area
2 in light of the Madison case.

3 That information was furnished to you. I
4 think it is unfair to characterize him as doing
5 what previous witnesses have already testified,
6 what they did.

7 I just want to lay that to rest. I believe
8 the information before you should lay it to rest
9 with regard to the specific questions, and I will
10 get to them afterwards.

11 THE COURT: . Mr. Cain, what is your objec-
12 tion?

13 MR. CAIN: Your Honor, I believe Mr. Sutton
14 has pretty much covered the questions we have.
15 If that is the method that you intend to use to
16 let the report go in, rather than have the witness
17 testify, he seemed to be following the report
18 pretty closely.

19 THE COURT: Line by line.

20 MR. CAIN: If there is, in following on
21 Mr. Sutton's discussion of newspaper articles,
22 on Roman numeral VII-7, from the Hunterdon
23 Review, I don't know if Frank intended it to be
24 exhaustive, but it was just pointing out --

25 THE COURT: Seven, you say?

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MR. CAIN: Six, I'm sorry.

THE COURT: What you are saying is doubly hearsay and they are saying, the newspaper is saying, what they were told New York Life had told them?

MR. CAIN: This is a step or two removed from the usual newspaper hearsay. I would think Mrs. Nabor would be here testifying, and I don't see that.

THE COURT: If Mr. Sterns thinks that is necessary, he can ask Mrs. Nabor, or he can subpoena someone from New York Life.

MR. STERNS: I have no objection to dropping it. It merely establishes Mr. Akahasi's conclusions and I don't need that.

I don't assume you are questioning, for whatever its weight, his own statement, which is prior to that footnote, i.e., "Major corporations, when locating their national offices or research and development facilities, invariably choose a showcase location."¹¹ That is a conclusion of Mr. Akahasi that stands by itself. You can contest it, or it may not have any weight. It is *up* to you to show, and I don't have any objection to dropping the clipping out, which is only

1 illustrative of what his point is. That is only
2 an illustration supporting his point.

3 MR. CAIN: My point is, when you take a
4 report which is generally full of statistical
5 data, from sources that most are familiar with
6 and recognize and intersperse in newspaper
7 articles, there is a danger of illustrating them
8 to a higher plane than they ought to be.

9 As long as everybody recognizes that,
10 I am certain that the Court does.

11 THE COURT: I am not going to take into
12 consideration anything that the newspapers have
13 with regard to hearsay. I am satisfied that
14 the procedural requirements of hearsay. I will
15 eliminate wherever his opinion would stay
16 unsupported then by perhaps hearsay.

17 MR. CAIN: Mr. Akahasi can base his opinioⁿ
18 on the newspaper articles if he wishes. I think
19 that this report has other statistical data in
20 it. Mr. Sutton otherwise covered all of my
21 points.

22 THE COURT: You want to grab those two
23 points and we will go directly to cross,
24 Mr. Sterns? If this is agreeable to everyone,
25 to save time, it is agreeable to everyone to put

1 the report in evidence?

2 .MR. CAIN: This is based on the assumption
3 that he is going to follow, he is going to testi-
4 fy to marketable conclusions that are in the
5 report and then, of course, we would like to be
6 heard.

7 DIRECT EXAMINATION CONTINUED BY MR. STERNS:

8 Q Let me start out this way, Mr. Akahasi.
9 We are now referring to the part - is it P-94 for
10 I.D., dated March 10, 1977, which you commenced testi-
11 mony on last Thursday, June 29, I guess?

12 Let me ask you, Mr. Akahasi, if there is
13 anything in that report that as of this moment this
14 morning you would not stand by and repeat as your
15 expert opinion? A No, not that
16 I know of.

17 Q So that you endorse every conclusion,
18 every word in it as if you were stating it here today?

19 A Yes. I mean, there is additional information
20 that is available through the recognized sources, and
21 so on, which are not in the report. But they do not
22 change the thrust or the substance of the report.

23 Q You mean later information?

24 A Yes.

25 Q Let me cover that in a minute. Now,

litSPr^w i a w^:^:~?

1 going on, just to the points that were raised here, I
2 would like you to turn your attention to page Roman numeral
3 III-4. You have heard reference to footnote six of a
4 news release from the Regional Plan Association.

5 Looking back into the text of your report
6 to footnote six, the paragraph which precedes that, that
7 is six, at the end of the last full paragraph.

8 That paragraph, indeed the whole page, gives
9 a series of statistics about the inner ring, the intermed-
10 iate ring, and the outer ring. I would like to ask you,
11 Mr. Akahasi, if you can tell us where you got the statis-
12 tics, what you base that information?

13 A Those statistics are available through the Bureau
14 of the Census. They are directly taken from the '50 and
15 '70 censuses and the more recent updated information,
16 which are estimates for 1975.

17 Now, the news releases which are referred to, I
18 did not take any data from that. The news release is not
19 a newspaper article, it is a copy of a news release issued
20 by the Regional Plan Association, which I have a copy of
21 in my office.

22 Q So that the statistics are independent then?

23 A • Quite independent. It was merely -- the purpose of
24 that was merely to point out that some of the news articles
25 actually on the subject of the growth of non-urban or

1 non-metropolitan counties, is not necessarily to be taken
2 as a demonstration of a shift from urban to rural popula-
3 tion in the United States as a whole.

4 That is the reason for the rural — the appearance
5 of rural growth and population is that the counties which
6 are shown as rural are rural only in the sense that they
7 have not been classified as metropolitan by the Bureau
8 of the Census, per referral.

9 Q — Mr. Akahasi, going on next to C-6 or 5-6 of
10 your report, you have heard reference this morning to
11 Sunday's New York Times real estate section and the
12 Telephone Company. Just to put it in perspective, can you
13 tell us what, if any, studies or conversations you had
14 with anyone related to that, or relocation in general
15 for the Telephone Company, other than that article?

16 A I am not sure I understand your question.

17 Q Do you have any independent basis?

18 A Well, the obvious thing is that I do not depend
19 upon a newspaper article, and it mentions Ma Bell as my
20 source of knowledge, as to the ratio between incomes and
21 housing costs. J

22 I have been working on this subject since way back —
23 well, twenty eight years ago. We have always dealt with
24 rent income ratios, sales price to income ratios.

25 Over the years it has changed. At one time a two

1 and a half times.to one ratio was once considered to be
2 appropriate for a home buyer. But in the last five years
3 at least, it has almost been universal that the ratio is
4 two times the family income.

5 Now, the 25% rent income ratio is widely utilized
6 by the Federal government. At one time it was more like
7 20%. Currently they use 25% as a fairly standard ratio.

8 It is utilized in Section 8 of the rent supplemen-
9 tation program, as a point at which the supplementation
10 begins, in order to provide the subsidy, insofar as my
11 information, from the Manhattan Savings Bank. That is a
12 direct result of a telephone conversation that I had with
13 their staff in the mortgage lending program.

14 I hardly think that the substance of that section
15 of the report would be argued by most people who have
16 familiarity with real estate.

17 Q So in sum, would you describe that Times
18 article illustrative of the major point of view?

19 A Precisely.

20 Q[Going on -

21 THE COURT; I think we can all agree that
22 the New York Times Sunday section in real estate
23 is probably one of the most accepted documents
24 along the east coast to ascertain what is occurring
25 in the real estate market. I see that every week

1 and it is -always filled with information.

2 , [MR. STERNS: I would contend, in another
3)

4 , context, that statistics in the New York Times
5 Sunday real estate section could be accepted as
6 an original source.

7 In this case, I merely want to ask the
8 witness, which I believe he has stated, that the
9 clippings or articles thus far are only illustra-
10 tive of the major points that he has made indepen-
11 dent of any findings in those articles.

12 Q Now, going on, well, I will skip C-9, that
13 is the Hunterdon Democrat. I ask you just to turn to
14 Appendix E.

15 As was noted, counsel raised the question
16 of the source of the appraisal, which is listed as Blau-
17 Lasser. Can you please describe Appraisal E in some
18 detail?

19 A Specifically,
20 the details of Appraisal E, are a breakdown of residential
21 sales in Clinton Township from 1970 to 1976.

22 Now, the information was obtained by the client
23 from a real estate^concern called Blau-Lasser.

24 Now, I have not questioned whether this informa-
25 tion is correct or incorrect. It seems to me that this
is a recognized concern. They are dealing with the same
basic data sources that are available to everyone else.

1 **I must confess that the figure, if you will take**
2 **1975-1976, with which I am generally familiar, that the**
3 **median price of the homes sold are almost -- they are**
4 **very similar to those which I have tabulated myself**
5 **from the Hunterdon County multiple listing service, and**
6 **those that the gentleman who gave the previous testimony also**
7 **went into in much greater detail.**

8 **Q Mr. Blazure? A Mr. Blazure,**
9 **yes.**

10 Q So the next question I would want to ask
11 you, Mr. Akahasi, is with reference to the use, and I
12 guess it is particularly in Section 6, page 1, that we
13 referred to it with respect to the use of the word or
14 phrase "we"¹¹. I ask you, what context you used that
15 report, I may have the wrong page. Apparently at some
16 point, as you will remember, counsel points out that you
17 used the phraseology "we" rather than "I". I guess he
18 wants to know, and we want to know, how you used that,
19 what do you mean by that? Are you solely responsible
20 for these conclusions? A I am solely re-
21 sponsible for these conclusions.

22 I am not trying to create the impression that I
23 have a huge organization, I am not even interested in
24 creating that impression.

25 My services are generally sought by people on a

1 reference basis because they know I am going to do the work
2 for them myself and not send some second year professional
3 /who is training at the client's expense.

4 Now, the reason that I used "we" is not to create
5 this impression, but more as just a kind of professional
6 technique of writing it. It just is not generally done in
7 reports that you write a long report and say I think this
8 and I think that, that sort of thing. It is just generally
9 written in this context sort of, I suspect, to give it a
10 little bit more of a personal touch rather than that of a
11 highly personalized one.

12 Q In other words, you are using the editorial
13 "we"? A Precisely.

14 Q Finally, Mr. Akahasi, I think at the outset
15 this morning you mentioned that there may be, or you may
16 have some updated statistics.

17 Let me just ask you, since the preparation of your
18 study in 14arch, have you monitored official government
19 statistics or other sources on either income or housing
20 costs? A Yes, I have

21 followed any information that has come across my desk, or
22 what I have seen in newspapers and sought out the sources
23 to verify or to get more detailed information. One of
24 which is the Bureau of Labor Statistics.

25 Q You said Bureau of Labor Statistics?

1 A Of the Department of Labor, the United States
2 Department of Labor.

3 Q Can you identify what it is that you have?

4 A The report — this, by the way, is a news release,
5 a very long one. It is for release on April 27, 1977.
6 The title is, "Autumn, 1976, Urban Family Budgets and
7 Comparative Index for Selecting Urban Areas."

8 This provides you with, for a typical four
9 person family, in the United States as a whole and various
10 communities, what the typical family would have to spend
11 in order to maintain a certain level of living.

12 It is broken down into budget levels, for
13 lower income families, intermediate and higher. These are
14 lower budgets, intermediate budgets, and higher budgets.

15 For the New York, northeastern New Jersey
16 area, for autumn, 1976, the total budget, or the lower bud-
17 get for families is \$10,835 a year. The intermediate
18 family is \$18,866 a year. For the higher family, \$29,677
19 per year.

20 Q Is that consistent with your study, does it
21 change any of the -7 A I don't think
22 that it changes anything. I might simply say that the
23 Department of Housing and Urban Development has set up
24 certain standards for the Section 8, rent supplementation
25 program.

1 Q Describe Section 8? A Section

2 Eight simply is that families who can buy or rent housing
3 up to a certain limit in existing or new housing, and if
4 their income at the rent that they can afford to pay, based
5 upon a 25% rent-income ratio, is income adequate to cover
6 the market rent for the unit. The agency, that is to say
7 the Federal government, will make up the difference.

8 For Hunterdon County they have set up a series of
9 limits. For a family of four it is \$13,000.

10 Q How does that work, \$13,000, for a family
11 of four in Hunterdon County?

12 THE COURT: What Statute, I don't know
13 what you are referring to.

14 THE WITNESS: It is HUD. The HUD, Section 8
15 program.

16 THE COURT: I don't know what the specific —

17 Q You are referring to the United States Housing
18 and Urban Development law, Section 8, I think, of 1974?

19 A This is a rent supplementation program.

20 Q It is the Federal supplement program?

21 A Yes. That represents 80% of an estimated median family
22 income of \$16,300 in Hunterdon County, in 1976.

23 The obvious conclusion is that the family of the
24 median income of \$16,300, would be able to afford to pay
25 \$32,600 for the housing unit based upon the two times ratio

1 * THE COURT: Let's go back, I am losing you.

2 You say that people who make \$16,300, a family of
3 four, can get a rent subsidy for \$13,000?

4 THE WITNESS: No.

5 Q Mr. Akahasi, can you explain the rent supple-
6 ment program? A The rent supple-

7 ment program sets certain limits, income limits, to qualify.

8 To become eligible, in other words, if a family of four

9 income is below \$13,000 per year, you are eligible to apply

10 for rent supplementation. If your cost of housing is

U above 25% of your income, it makes up the difference between

12 what the actual market rent is and what 25% of income

13 represents.

14 THE COURT: So the break-even point, you
15 divide four into \$13,000, would be \$3,333, if their
16 cost of living -

17 THE WITNESS: \$3,333.

18 THE COURT: Then they could apply for rent
19 supplementation?

20 THE WITNESS: Right, excepting --

21 THE COURT: But you are taking the opposite
22 of this. Therefore, if somebody makes \$16,300,
23 they could buy a \$32,600 house. I understood the
24 step one, then you turned it.

25 THE WITNESS: The reference of \$16,300 is that

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1 the HUD bases its income limits for Section 8 on 80%
2 of the median, estimated median income for that jurisdic-
3 tion. \$16,300 represents \$13,000 is 80% of
4 \$16,300.

5 So that was HUD's estimate of median income
6 for Hunterdon County in 1976.

7 What I am simply saying is that with the two
8 times multiplied \$16,300 by two, you come up to
9 \$32,600, which is, presumably, the affordable housing
10 housing unit that this family could buy.

11 Now, also, it just happens that in May, 1977,
12 the Bureau of the Census issued a report which is
13 called "1973 Revised" and in parenthesis, -75,
14 Population Estimates, and in parenthesis, 1972
15 Revised. The Revised is in parenthesis, and 1974
16 per capita income estimates for counties, incorpor-
17 ated places and selected minor civil divisions in
18 New Jersey.

19 Q When was that issued? A It was
20 issued in May, 1977. According to this, on the income --

21 THE COURT: Don't you think what he is
22 referring to should at least be marked for identi-
23 fication?

24 He testified that this is the first document,
25 then he testified to the second document, and it

1 hasn't even been marked or identified.

2 . , MR. STERNS: I was going to do that, Your
3 Honor, because there was only one copy, I just
4 thought I would let him testify to that first and
5 then have it marked.

6 THE COURT: What about the first document
7 that he first referred to?

8 (Document entitled Bureau of Labor Statistics
9 for Release April 27, 1976, marked as Exhibit P-96
10 for identification. Document entitled Current
11 Population Report marked as Exhibit P-97 for iden-
12 tification.)

13 DIRECT EXAMINATION CONTINUED BY MR. STERNS:

14 Q Mr. Akahasi, some documents have been marked.
15 P-96, Bureau of Labor Statistics for Release April 27, 1976,
16 which are the 1976 urban family budgets and comparative
17 indexes selected for urban areas.

18 I ask you if that is the document from which
19 you have been testifying? A Yes.

20 Q Had you completed your testimony on that?

21 A Yes, I have.-

22 Q Now, next is P-97, which has been marked.

23 That is entitled Current Population Reports, from the Depart-
24 ment of Commerce, revised 1975 population estimates and
25 1972 revised in *74 per capita income estimates for county

1 and incorporated places and selected minor civil divisions
2 in New Jersey.

3 Were you in the midst of testifying from
4 this document? A Yes, I was
5 about to.

6 Q Had you completed that?

7 A No, I had not.

8 Q Will you briefly summarize for us what this
9 document contains as it relates to your report?

10 A It contains the 1975 population estimates for small
11 areas such as Clinton Township, by a census designation
12 below the level, let's say, of the County, which is avail-
13 able on an annual basis.

14 It also provides per capita income estimates for
15 counties and these minor civil divisions.

16 I would simply point out that according to this
17 report the Hunterdon County, 1974 per capita income, x*as
18 \$5,351, This is per capita or mean income per person as
19 opposed to families.

20 This is up from a figure of \$3,623 in 1969.. For
21 Clinton Township itself, the 1974 per capita income was
22 \$5,107. In 1969 it was \$3,576.

23 How, in 1970, the average population per household
24 was 3.3 in Hunterdon County. If you simply multiply that
25 1974 per capita figure of \$5,107 by 3.3, you derive a

1 figure in the order of \$17,000, which would represent the
2 mean income in that year,, which is now three j^ears ago..

3 (U. S. Department of Commerce, Bureau of Cen-
4 sus Report marked as Exhibit P-98 for identification.)

5 Q I have what has been marked for identificatien
6 as P-98, U. S. Department of Commerce, Bureau of the Census,
7 U. S. Department of Housing and Urban Development, for new
8 one-family homes sold and for sale, dated February 17, 1971,
9 That indicates that it was issued April, 1977.

10 I ask you if you can identify this and tell
11 us if there is anything relevant in the sense of updating
12 your study?

13 A Right. I merely
14 wanted to provide a figure on the rising prices of homes,
15 new homes, that have been sold.

16 In 1973 the median sales price of houses sold, new
17 houses sold in the United States, according to the Bureau,
18 was \$32,500. In February, 1977, the median price was
19 \$47,500, which is a fairly substantial increase.

20 In that same period of time the mean or average
21 sales price increased from \$35,500, that is to say in 1973,
22 and in February, 1977, the figure was \$53,100.

23 Now, if you take the median income that HUD has
24 given us, it is \$16,300 for Hunterdon County for 1976, and
25 compare it to 1973 median sales price of \$32,500, they would
sort of match up. But at the time, four years have passed

1 and, of course, the problem is of a completely different
2 nature today.

3 Q Mr. Akahasi, do you have any further statistics
4 supplementing your report since you prepared your report?

5 A No, I have nothing further that I want to add at
6 this point.

7 THE COURT: Let me ask you now, if it was
8 \$16,300 for 1976?

9 THE WITNESS: That is HUD.

10 THE COURT: You are using 1973, the \$32,500
11 figure?

12 THE WITNESS: Yes.

13 THE COURT: Now, it is \$47,500, it is out of
14 reach of the \$16,300?

15 THE WITNESS: Exactly, it is completely out
16 of reach.

17 THE COURT: It does not satisfy the old ratio
18 of two, this would have to be more like three?

19 THE WITNESS: Yes, that's correct, that's
20 right.

21 THE COURT: So, therefore, it is out of reach
22 of those people to get a median income type of hous-
23 ing?

24 THE WITNESS: Right.

25 THE COURT: They don't have the income to

1 match it and, therefore, there has to be some other
2 type of housing made available to them, is that
3 your point?

4 THE WITNESS: Exactly.

5 THE COURT: I want to be sure I had your
6 point. I didn't want to lose it in all of the
7 statistics.

8 MR STERNS: Your Honor, that concludes the
9 direct examination.

10 With Your Honor's and counsel's permission,
11 these three exhibits just identified, if I may, I
12 will have them introduced and have copies to you
13 by lunch time.

14 THE COURT: There may be a problem there
15 with regard to the information and index E. If you
16 are going to rely upon it, since it is an independent
17 study, I suppose you do have to get a consent from
18 counsel as to the fact that the study was made and
19 provide a basis for it. Since Mr. Akahasi relied on
20 it, bring in somebody from Blau-Lasser, those people,
21 to cover it.

22 MR STERNS: Your Honor, what I would suggest,
23 or if that I would like to rely on in that case, that
24 since the statistics in Appendix E are almost exact
25 parallel with Mr. Blazure's testimony, we will rely

1 on Mr. Blazure's testimony, because I believe they
2 .come almost to identical conclusions.

3 THE COURT: Don't forget Mr. Blazure's testi-
4 mony is limited to one year, 1976.

5 MR. STERNS: Thank you, Your Honor.

6 We will have to consider how difficult it
7 would be to get substantiation of that Appendix E.
8 We may put it through on our direct case.

9 THE COURT: If counsel would provide it in
10 writing to see if there is any basis for it — I
11 appreciate your point that this has been done by
12 someone else and he is relying on it.

13 MR. STERNS: I forgot that Mr. Blazure focused
14 on one year.

15 THE COURT: Blazure was one year.

16 MR. STERNS: We appreciate that, Your Honor.
17 We take it that these will be reproduced and provide[^],
18 and I have no further questions of Mr. Akahasi.

19 THE COURT: The report is being marked in
20 evidence, P-94 is marked into evidence.

21 (Whereupon, Exhibit previously marked as P-94
22 for identification, marked into evidence.)

23 THE COURT: Now, we are going to go to cross-
24 examination on the report.

25 You are swearing, Mr. Akahasi, this would be

1 your testimony, as you would testify to your report
2 line by line, you indicated that you would have?

3 THE WITNESS: Yes.

4 THE COURT: Cross-examine.

5 CROSS-EXAMINATION BY MR. SUTTON:

6 Q Mr. Akahasi, I would like to bring your
7 attention to Roman numeral III, page 16 of your report.
8 This would be about the middle of the fourth paragraph.

9 You say the rate of growth in Morris and
10 Somerset, while increasing from 1950 to 1960, declined
11 from 1960 to 1970. The latter condition is indicative of
12 growth pressures spreading into Hunterdon as vacant land
13 in Morris and Somerset became more scarce and land values
14 increased.

15 Is that statement correct?

16 A That, Mr. Sutton, is an excerpt from pages 17 and
17 18 of the Township of Clinton Master Plan revision. That
18 is not my statement.

19 THE COURT: Excerpt from page --

20 THE WITNESS: Seventeen and eighteen of
21 the Township of Clinton Master Plan revision adopted
22 by Clinton Township Planning Board on November 16,
23 1976.

24 THE COURT: Yes, indeed, I have previous
25 reference to that under population, that is contained

1 in Exhibit J-3.

2 Q There are then persons, in your judgment -
3 in your judgment that statement is correct, is that not
4 correct?

5 A I have no argument
6 with it as such.

7 Q All right. Now, you endeavored to fix regions
8 needs that Clinton Township would have to satisfy. Is
9 that correct? A I made an estimate
10 of the fair share on the basis of a region consisting of
11 five counties.

12 That would be a fair share for Clinton Township,
13 using only one basic criteria for distributing the need,
14 and that was vacant, developable land.

15 Q That was the only criteria?

16 A That was the only criteria I used, yes, of several
17 that the State allocation report mentioned, which maybe
18 was five,

19 I don't say that the other factors are not there,
20 but someone else couldn't use them. I just find them a
21 little bit difficult to apply as easily as they have been
22 planned.

23 Q I believe that you testified earlier that
24 you had never mentioned the region on any other matter.

25 Is that correct? A No. As a matter
of fact, I have delineated regions every time I have done a

1 study, which is probably at least 250 times over the last
2 eighteen years.

3 There is no way that you can develop a market or
4 estimate a market for a piece of real estate without having
5 some kind of geographical area in which that market oper-
6 ates.

7 Q What I am referring to, Mr. Akahasi, is
8 fixing a region within the meaning of the Mt. Laurel case
9 and the Madison Township case? A No. The first
10 time I have ever read it, however, I don't see that there
11 is any basic difference. A housing market area is a
12 housing market area, whether you do it under Mt. Laurel,
13 the Madison Township case, or for some other reason. The
14 market area is not something that you simply change to suit
15 a legal case.

16 Q Isn't it correct that what you are actually
17 doing, Round Valley, is proposing a certain number of units
18 on their property, I believe it was over 3,500 units. They
19 wanted to know from you whether or not, if they built these
20 units, they would be able to sell the units. Wasn't that
21 why you were retained? A No, I was re-
22 tained to, as my report entitled, which I would read to
23 you again, the Study of Housing Needs and the Beaver Brook
24 PUD. That is somewhat of a different study than what one
25 might go into if you were simply getting at the question

1 of marketability.

2 Q Wasn't the principle purpose of your being
3 retained to determine whether these dwellings would be
4 marketable? A I didn't get

5 that question, Mr. Sutton.

6 Q Wasn't the principle purpose of your being
7 retained to determine whether or not, if these dwellings
8 were built, they could be sold? A That may be
9 a reason, but that is not the principle reason. The
10 principle reason for retaining me was to study the need.

11 Q In other words, what you are saying is that
12 you were retained for the purpose of a court case. Is
13 that correct? A Well, I knew

14 there was a court case coming up, yes.

15 Q When did you start work on this project?

16 A About the middle of November, 1976.

17 Q When did you -- your report is dated, I
18 believe, March 11, 1977. Is that correct?

19 A March 10.

20 Q March 10? A Yes.

21 Q Would that be the time you concluded your
22 work insofar as that report is concerned?

23 A Well, I suspect it was around that time. It may
24 have been a few days before and it may have taken a day
25 or two to type it up, or something of that sort. But I

1 believe that is approximately the date.

2 , Q You testified, I believe, that you took 30
3 trips to the site. Is that correct, or at least 30 trips?

4 A I said that over the past three plus years, I have
5 taken over 30 trips to Hunterdon County in connection
6 with this, or various other studies that I have done for
7 the client.

8 Q How many trips did you take for this study?

9 A Specifically for this study, two. I can't remember
10 exactly when they were, but I think I took two.

11 Q Now, my questions were with respect to
12 whether you were retained to see if these dwelling units
13 would be marketable. To determine whether a dwelling
14 unit is marketable, you have to determine whether or not
15 there is a need for housing. Isn't that correct?

16 A Yes.

17 Q The two items go together, do they not?

18 A Well, I think that one could distinguish between
19 need and demand. Effective demand is what you deal with
20 when you are trying to market housing. Need covers a
21 broader expanse, it covers not only effective demand, but
22 demand that is not so effective, because of income.

23 Q Now, you, in determining the amount of hous-
24 ing Clinton Township should suppl}', I believe the formula
25 you used, you made a determination of the housing need in

1 five counties, Essex, Union, Morris, Somerset and Hunterdon
2 Counties? A I did not make
3 that determination, I used the State figures on that, that's
4 correct.

5 Q> You used the State's figures, then you
6 determined the amount of vacant, developable land, is that
7 correct? A I also used
8 the State's figures.

9 Q I am not questioning that. They are all in
10 your report with the sources.

11 Then you made a division, you determined
12 how much vacant, developable land Clinton Township had,
13 and what the housing need was, how much developable land
14 there was overall.

15 Then you allocated a certain number of houses
16 to be constructed by each municipality. Is that not
17 correct, isn't that the formula you used?

18 A I didn't do it for each municipality. I only did
19 it for Clinton Township.

20 The process by which I did it was to simply take
21 the need as determined by two separate studies prepared
22 by the Department of Community Affairs, the State of New
23 Jersey. I broke it down into five counties.

24 Then in the case of Clinton Township, I simply took
25 that proportion of Clinton Township's vacant -- that the

1 proportion that Clinton Township's vacant, developable
2 land bore to the total developable land in the County, and
3 made simply an arithmetic division, something like seven
4 and a half percent as I recall.

5 Q Now, one of your exhibits indicates the
6 amount of the vacant developable land in all of these
7 counties, is that not correct? A • Yes.

8 THE COURT: What exhibit is that, sir?

9 MR. SUTTON: I will get to it in a minute.

10 I thought Mr. Akahasi might get to it quicker than
11 I could.

12 THE WITNESS: It is 6, I believe, the
13 municipality, 6.5 which breaks it down to Hunterdon
14 County and 6.2.

15 MR. SUTTON: I believe that there is more
16 than one exhibit that indicates this, but 6.2 would
17 be satisfactory.

18 Q Now, this chart, 32 —

19 THE COURT: 33, isn't it?

20 MR. SUTTON: 33, yes.

21 Q This indicates that there is still 8,813
22 acres or 10.6% of Essex County which is vacant, developabl[^]
23 land. Is that correct? A That is what it
24 says here.

25 Q It indicates that in Hunterdon County there

1 are 67,711 acres or 25%. Is that correct?

2 A That is what it says.

3 Q In Morris County there is more vacant, develop
4 able land in a higher percentage, 111,108, 37.1%. Is that
5 not correct? A That is what it
6 says.

7 Q Somerset County has almost as much vacant
8 land as Hunterdon County?

9 THE COURT: 100,000 acres.

10 Q I meant almost the same percentage. There
11 are 46,562 acres and 23.7% of their land is vacant and
12 developable. Is that not correct?

13 A That is what it says.

14 Q Union has also some vacant, developable
15 land.

16 Now, you have another chart, I believe,
17 which indicates the vacant, developable land in Hunterdon
18 County? A Yes, five.

19 Q That is Roman numeral VT, page 5, and that
20 is chart 37.

21 Clinton Township, you indicate, that there
22 is 5,080 acres of vacant, developable land. Readington
23 is closer to the city areas, and has 10,143 acres of
24 vacant developable land, is that not correct?

25 A That is what it says there.

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1 Q Would not these charts indicate to you,
2 Sir. Akahasi^ that insofar as Somerset County is concerned,
3 insofar as Morris County is concerned, that they have
4 sufficient, vacant, developable land to take care of any
5 housing needs that they might have?

6 A Sir, I simply allocated the need for our fair
7 share, whatever you wish to call them, on the basis of
8 vacant, developable land and let the chips fall where the}'
9 might.

10 I didn't take from Hunterdon to give to Morris, or
11 from Morris to give to Hunterdon. It was simply a very
12 simple arithmetic calculation, taking the total and
13 dividing it up on the basis of vacant, developable land
14 that is available in those five counties.

15 Q Did you want to continue?

16 A No, I did the same thing within Hunterdon County
17 as far as the municipalities are concerned.

18 Q Now, the reason you indicated such a high
19 allocation to Hunterdon County was because of housing
20 needs principally in Essex County, is that not correct?

21 A No, I didn't do that. I said their housing needs
22 were then made from the five county area.

23 Since Essex happens to have a large need figure, it
24 would be incorporated into it, yes. But I didn't take
25 Essex County's needs and transfer them into Hunterdon

1 County. I just lumped them all together and redistributed
2 them based solely on the vacant, developable land basis.

3 Q Now, you have another chart which indicates
4 the counties who are losing population and the counties
5 who are gaining population, did you not?

6 A Again, I have to find this chart. This is chart
7 number 12 on page 6, Roman numeral IV, the middle of the
8 page. It is entitled Components Changed 1970-1975. Is
9 that the point you have reference to?

10 Q Yes. Now, we find something, I think,
11 Mr. Akahasi, that I think is quite interesting here. All
12 of these counties except Hunterdon County are losing
13 population, is that not correct? A That is not
14 entirely correct. It says here that the last figure you
15 see is net migration. That is not net population change.
16 The net population change is in column 3.

17 That means, what that effectively means, is that
18 in counties such as Morris and Somerset, the excess of
19 births over deaths was enough to offset the net of migration
20 population.

21 Q Let's go then to column 3. There is an indi-
22 cation that Essex County is losing population and that
23 Union County is losing population, is that not correct?

24 A Yes.

25 Q That Somerset has gained only slightly and

1 Ltorris has not gained a great deal either, is that not
2 correct? A That's correct.

3 Q Wow, would it not be correct that since
4 Essex County and Union County are losing population instead
5 of gaining population, that they would have ample room for
6 the population that they have there?

7 A Well, that is not borne out by subsequent studies.
8 I refer you to a report of 1974 on the Three County SHSA.
9 The Newark^ SMSA, which points out that they still have a
10 severe housing shortage and that the quality of housing
11 is very poor.

12 I might also add only this, that this follows a
13 classical pattern of population succession. It goes from
14 the older center, inner core counties, to the intermediate
15 ring, and then to the outer ring.

16 The figures on Morris and Somerset County merely,
17 what they do is substantiate the comments made by your
18 own planning consultants in this report, which says that
19 they are running out of land in Somerset, in Morris, which
20 is then beginning to overflow into Hunterdon County. That
21 is what this data tells you.

22 Q I think the report also says that the land
23 is getting more expensive? A I didn't say
24 that, your planner said that.

25 THE COURT: Page 17 and 18, it says that,

1 doesn't it?

2 THE WITNESS: Yes, it does.

3 THE COURT: A-3.

4 Q You did considerable work in urban renewal,
5 is that correct? A I have done con-
6 siderable work in urban renewal, yes, I have.

7 Q What does that consist of?

8 A Well, it consists of a number of different things,
9 one of which is to program entire communities for renewal,
10 which is called community renewal programs. I have done
11 that for places like Washington, D. C, Norwalk, Dayton
12 and Milwaukee.

13 This essentially is a kind of quasi-economic based
14 study. It is a study which zeros in on the areas of the
15 community that need treatment of one sort or another,
16 ranging from clearance to just conservation.

17 Another type of study that I have done, which is
18 a very standard type of study for renewal projects, is to
19 determine if they were to clear land, would it be market-
20 able and marketable for what, at what basis. That is
21 called a land utilisation and marketability study, which
22 I have done. I have done many of them.

23 Q You did not do any such study for Newark
24 and Essex County, or other cities in Essex County, to
25 determine whether or not this procedure should be followed,

1 so that the people who need homes will have homes where
2 they work, did you? A Well, I have
3 done a land utilization and marketability study for the
4 Town of Montclair in connection with their Lackawanna
5 Plaza urban renewal project.

6 I have done a similar study for the Borough Park
7 urban renewal area in South Plainfield, New Jersey.

8 Q Well, Montclair is more affluent over all
9 than Newark, would you not say?

10 A Oh, yes, I would say so.

11 Q But wouldn't it be important, isn't it
12 important that persons, especially with the energy crisis
13 that they find employment or, rather, have residences as
14 close to their employment as possible?

15 A Well, that may be a highly desirable objective,
16 but what has been happening is that employment has been
17 moving out into the suburban areas.

18 Now, you get what we might call a reverse commute
19 in the morning. So there is something like a traffic jam
20 coming out on the Interstate Highway 80, all the way down
21 to 1-287, down to the A. T. & T. facility.

22 On the other end, from the New Jersey Turnpike,
23 Exit 10, there is a jam all the way up to Somerville.
24 You have a traffic jam in the morning around eight o'clock

25 In other words, what is happening is that these

1 people are commuting from the inner city areas, or the
2 inlying areas, to the outlying areas.

3 It isn't unusual for this part of the country,
4 it happens in Minneapolis, Chicago. Part of the jobs
5 are fleeing from the people who go to those jobs.

6 You can see it from going to the airports, people
7 are heading out from the city into the country to go to
8 their jobs.

9 • Q Have you also noticed the traffic on the
10 eastbound lane on Route 22? A Oh, yes, there
11 is a great amount of traffic both ways during the rush
12 hours.

*3 Q Doesn't it seem to be the policy of the
14 Federal government to keep people in the cities, to have
15 urban renewal, isn't that an indication you get from your
16 studies, that come out from the Federal government?

17 A Well, I don't know* what the overall Federal policy
18 is. I would say that it has been a stated policy of the
19 Federal government to try to do something to improve
20 conditions in the inner city.

21 I think that the money that has been spent in
22 terms of trying to improve conditions in the center city
23 has fallen off in proportion to the total expense over
24 many, many years now.

25 So that center city programs have been under-funded.

1 As a matter of fact, very few of them exist at this time.

2 In other words, we don't have any more of what
3 they call categorical urban renewal projects, in which
4 there was a breakdown in the cost of land to represent
5 what the new uses could afford. Without that kind of a
6 breakdown it is very difficult to improve the center city
7 conditions.

8 Q You didn't have any study at your disposal
9 that would indicate how many of those people who need
10 housing from Essex County want to live in Hunterdon County
11 and how many would stay in Essex County, if there were
12 homes in Essex County for them. Is that correct?

13 A Ho, I don't think anybody else could make a study
14 of that sort, if you don't have a choice.

15 The whole principle of real estate economics is
16 not a numbers game.

17 The real economist's job is to read or to try to
18 predict how people will behave if they are given a series
19 of alternate choices¹. In this instance I don't know how
20 you can possibly study it, because there aren't any choices
21 out here, at least for people of moderate income.

22 Q Now, your charts and your testimony relative
23 to charts have already indicated that there is a substan-
24 tial amount of vacant developable land in Morris County,
25 and that there is substantial amount in Somerset County.

1 That there is approsdmately twice the amount in Readington
2 Township as in Clinton Township.

3 Would that not indicate that to supply the need
4 for Essex County and for Union County, that is if any of
5 those people should move out of the county and want to
6 move out of the county, that it would be better for the
7 developments to be in Morris County or Somerset County?

8 A Well, that is a highly — it is a very hypothetical
9 kind of question. The fact of the matter is that the
10 statistics indicate that the people are not going from
11 Essex to Union, that is to say, in numbers sufficient to
12 create a net positive in migration for those two counties.

13 They do show that there is a net positive, net
14 in migration for Hunterdon County.

15 One thing that nobody controls, at least I hope it
16 never gets to the point where anybody controls, is that we
17 can tell people where they are going to have to live.
18 That is done in some places, but not here.

19 The obvious thing is that if you don't provide
20 people with choices where they are going to live, they will
21 live in the places where there is housing of one kind or
22 another that is available to them. Much of it bad, as
23 evidenced by the studies made by the Department of Community
24 Affairs.

25 Q There was a State study made and you refer to

1 the study in- your report, making Clinton Township a part
2 of the region of Hunterdon County, is that not correct?

3 A' That's correct.

4 Q Now, in your report you also took statistics
5 from that study, is that not correct?

6 A Yes, I did.

7 Q You used a considerable amount of statistics?

8 A Yes, I used their data.

9 Q Do you know how many people were working on
10 that study for the State? A No, I have no

11 idea. I don't know anybody who worked on the study, as
12 far as I know anyway.

13 Q Do you know all of the factors that they took
14 into consideration when they determined that Hunterdon
15 County should be a region of which Clinton Township is a
16 part? A I know what they

17 said they took into consideration, but I don't know that
18 they followed their own rules.

19 Now, I cite you the things that they said that
20 would determine region. It says, sub^State regions for
21 housing allocation delineating the set of sub-State regions
22 which facilitate an equitable allocation of present and
23 prospective regional needs for low and moderate income.

24 For the purposes of this, the criteria is defined
25 and I don't think —

1 Q - You are referring to another report not
2 marked, in evidence? . Not identified?

3 A This one isn't. It is a State-wide housing allocation
4 plan for New Jersey.

5 MR. STERHS: I believe he was answering the
6 question you asked him about that plan, is that
7 right?

8 THE COURT: Now he is referring to it specifi-
9 cally reading from it. It has never been marked,
10 has never been identified.

11 MR. CAIN: I think it should be identified.

12 THE WITNESS: I think by virtue of an execu-
13 tive order, that any plans have been postponed for
14 one year until January, 1978.

15 They had something like four or five hearings
16 scheduled which were cancelled by executive order
17 of the Governor. The hearings have been cancelled
18 or postponed until after November, 1977.

19 This report has been referred to in the
20 Madison case as a possible source of fair share allo-
21 cation by which they did not accord the degree of
22 relevance and strength to as they did for one, let
23 us say for the Delaware Regional Planning Group,
24 because that had been adopted by various official
25 groups.

1 - This is one, in a sense, which is an unofficial
2 draft that has not been cleared.

3 What I ~~was~~ beginning to say was that they
4 simply didn't follow their own-rules.

5 THE COURT: You are free to demonstrate that,
6 mark this.

7 (Document marked as P-99 for identification.)

8 THE COURT: Come over here, Mr. Sutton and
9 Mr. Cain, we will all look at it.

10 THE WITNESS: No, the first criteria was the
11 sharing of housing needs. I won't go into that
12 other thing.

13 In southern Burlington County, NAACP vs.
14 Township of Mt. Laurel, the New Jersey Supreme Court
15 made it quite clear for the first time that municipi-
16 palities must take into account not only local
17 housing needs but also the housing needs beyond the
18 municipality's boundaries in the region of which it
19 is a part.

20 The regional delineations should be reflective
21 of the intent of the Mt. Laurel decision, and permit
22 equitable sharing of the housing needs between areas
23 with high levels of present housing needs and for
24 resources and areas with opposite characteristics.

25 The lack of resources preclude, for example,

1 the designation of Hudson County as a region by
2 itself. The concentration of housing needs in this
3 county would require a more expansive region than
4 the county itself.

5 This criteria (sharing housing needs), was
6 considered to be the most important in the selection
7 of sub-State regions, and would take precedence
8 over the other three.

9 Number two, socio-economic interdependence.
10 The regions should be characterized by evidence of
11 socio-economic interdependence with regard to
12 housing choice considerations. That is, they should
13 reflect the geographic area within which housing
14 location decisions are made.

15 Housing decisions are related to job location,
16 the location of community facilities and institution[^],
17 and to available transportation and services.

18 Now, data availability I don't think we need
19 to amplify upon. That data is usually available
20 for a kind of geographic subdivisions.

21 Then it refers to executive order 35 which,
22 of course, is the order by which I gather these
23 studies were made to help set up the allocation
24 system.

25 Now, I refer to you specifically to criteria two,

1 socio-economic interdependence. Now, without
2 touching on Hunterdon County for the moment, I find
3 it extremely difficult to understand how, if any,
4 reasonable studies of socio-economic interdependence
5 could be made, how Monmouth County would be
6 detached from the northeastern New Jersey region.

7 I also find it improbable, highly improbable
8 that Ocean County would be considered as a separate
9 and distinct region for housing purposes, when in
* fact this is the fastest growing county in the
10 entire State of New Jersey. In the six year period,
11 from 1970 to 1975, their housing permits issued
12 were running at a rate in excess of 870, while the
13 State as a whole is less than 2%.

14 The other thing that they did not — they
15 did not take into consideration the fact that people
16 were living in one county and working in another.

17 In the instance of Hunterdon County, almost
18 42% of all employed Hunterdon County residents
19 worked outside of the county. In this regard they
20 are ranked fifth, only behind Somerset County,
21 Gloucester County, Sussex County and Bergen County.

22 The State-wide average in 1970 was thirty
23 five and a half percent. In the county in which
24 the fewest or the smallest proportion of the working
25

1 population worked outside the county was 1370 in
2 Cumberland County.

3 So as I say, that this is a fairly convincing
4 argument that there is a great deal of socio-economic
5 interdependence between this county and other
6 counties. Most noticeably to the east, Somerset
7 County, which adjoins Hunterdon on the east. In
8 fact, if you take Clinton Township alone, this
9 interdependence, or let's say dependence on outside
10 employment, is even greater in the county as a whole,
11 something in the order of 38% of the working people
12 in the township are residents who were employed in
13 communities that lie to the east. This establishes
14 a very strong linkage with that area.

15 Obviously, there are other things which I
16 have gone into already in my report on the highway
17 linkages, the linkages established by commuting
18 patterns on the Central Railroad of New Jersey,
19 transport of New Jersey, and the West Hunterdon
20 Transport Company.

21 The obvious result of an analysis of that
22 is that the commuters are going east. If you had
23 to commute west you'd be in trouble.

24 Q Did this report fix a region for Essex

25 County?

A

I beg your

1 pardon?

2 Q Did this report fix a region for Essex County?

3 A This report here?

4 Q Yes. A Essex County is
5 a part of a larger region under this report.

6 Q What is the region? A I'm sorry?

7 Q What is the region? A The region
8 that Essex is a part of, according to the State allocation
9 system, includes, as I recall it, eight counties. Yes,
10 it does, eight counties.

11 Q Page 10, region 11? A Right. Bergen,
12 Essex, Hudson, Middlesex, Morris, Passaic, Somerset and
13 Union.

14 Now, if they had added Monmouth County to that,
15 they would have the Census Bureau's standard consolidated
16 area.

17 Q The report did say that transportation was
18 one important factor, is that not correct?

19 A They said it, but they didn't say anything about
20 how they analyzed it. The report lists the criteria and
21 talks about the criteria. It doesn't say anything about
22 how they evaluated the criteria.

23 Q Your statistics could indicate, I believe,
24 that there are over 100,000 acres vacant; developable land
25 in Morris County, is that not correct?

1 A -Yes, that is the material that I gleaned from this
2 report here that I was quoting from.

3 Q -r The report indicates also that approximately
4 23% of Somerset County consists of vacant and developable
5 land? A It does say
6 that we are back on that table.

7 THE COURT: Which exhibit are you referring
8 to, tic. Sutton?

9 MR. SUTTON: I am referring to Mr. Akahasi's
10 report.

11 THE COURT: Mr. Akahasi's report?

12 THE WITNESS: That is 6.3, now, Your Honor.

13 MR. STERNS: I would object at this point,
14 because Mr. Sutton is now going over this for the
15 third time.

16 THE COURT: It is one of those difficult parts,
17 and I assume it will be covered again in the final
18 opinions, that all of you will be drafting. It is
19 only a suggestion that counsel should always write
20 an opinion for consideration of the report, I always
21 give everybody that opportunity.

22 Q Now, in this particular region, Essex County
23 is made a part of, Union County is made a part of, there
24 is good bus transportation, is there not?

25 A Generally speaking, I would say there is probably

1 pretty good bus transportation in many parts of this area.

2 Q There is fairly good transportation, the
3 Erie Lackawanna in Morris County, and the schedule from
4 Somerset County, is that not correct, from Somerville?

5 A Yes, I believe that is true, from Somerville there
6 is fairly good frequency of service. That is because there
7 are people there to go to work.

8 THE COURT: It is there, but the station
9 is boarded up and closed the last time I was there.
10 It looked like urban renewal was required there.
11 It was boarded up, the rest rooms weren't even
12 available, the tunnel smells like I wouldn't want
13 to say, it is in a terrible state of deterioration.

14 MR. SUTTON: I was asking the question of
15 the Erie Lackawanna and I was depending on
16 Mr. Akahasi's knowledge.

17 THE COURT: It was pretty bad.

18 MR. SUTTON: I would think it would be,
19 since, I believe, that the train from our area
20 goes through there, that it is probably even less
21 from Hunterdon County than it would be from Somers-
22 set County.

23 I will get into that area.

24 Q Mr. Akahasi, you stated, I believe, that
25 more people, I believe, that Hunterdon County is ranked

1 fifth among the counties of people who work outside the
2 county, and that 427a of the people work outside the
3 county, is that not correct? A That's correct,
4 according to the Bureau of Census in 1970. I don't know
5 what it is now.

6 Q I believe you have a chart, do you not, in
7 your report, which indicates the number of people from
8 Clinton Township, where they work, I believe it is Roman
9 numeral III, page 12?

10 THE WITNESS: 3.12, that's correct, of
11 P-94.

12 Q Now, this report indicates that 57.4% of
13 people from Clinton Township worked in the county. Is
14 that correct? A That is what it
15 says.

16 Q Then the greatest next number of persons who
17 work in any county is 260 people work in Somerset County,
18 is that not correct? A Correct.

19 Q So this chart indicates that of the 1,550
20 working persons, that 1,000 or rather, 1,150, work in
21 either Hunterdon County or Somerset County, is that not
22 correct? A I guess that
23 is true.

24 Q That would indicate, as I believe you stated
25 in your report, that there is a strong linkage at the

1 present time between Somerset County and Hunterdon County,
2 so far as people working, living in Hunterdon and working
3 in Somerset County? A Yes.

4 Q Is not the reason for that because of the
5 fact that there are the largest plants at the present
6 time in Somerset County, such as Ethicon, R.C.A. and the
7 other large plants? A There are large

8 employment opportunities nearby in Somerset County.

9 Q Would that not also indicate to you that it
10 is important to those people, especially with the energy
11 crisis, that there be more industrial areas within the
12 area of Hunterdon County? A Well, I have no

13 objection to that at all, if you are saying that you
14 should have more jobs in Hunterdon County, I think almost
15 everyone in the county says yes, we ought to have more
16 jobs.

17 Q Isn't it especially important for Hunterdon
18 County, since they are ranked fifth in the number of peoples
19 who have to commute outside the county for employment?

20 A I don't know how you make a relevant case for that
21 statement. =>

22 If people work outside, we live in a free society.
23 Somerset County is very close to Hunterdon County. In
24 fact, certain parts of Hunterdon County are further from
25 certain parts of Hunterdon than Somerset.

1 If you happen to be in Clinton Township, it is no
2 big deal to go to Somerset County to work. That is why
3 many of them do this, the jobs are there.

4 Q What is the greatest advantage, Mr. Akahasi,
5 of living in a high density area of Clinton Township and
6 commuting to Essex County, where you are living on flat
7 land, if we are referring to the Round Valley property
8 east of #31 and then riding for an hour or so to your
9 place of employment, and with the traffic it might take
10 much longer, is there an advantage to that?

11 MR. STERNS: Your Honor, I object. If he
12 is giving an example, I think he should define
13 the terms, for example, what is high density, what
14 do you mean by high density? Are you talking about
15 the Round Valley project as high density, or do
16 you have something else in mind, I think we ought
17 to know.

18 • MR. SUTTON: I will develop this.

19 Q Round Valley proposes a density of approxi-
20 mately 4.5 units per acre, is that correct?

21 A That's correct.

22 Q Have you studied the density of other
23 municipalities such as the Borough of High Bridge, Clinton,
24 Lebanon, as to density? A I believe that

25 I can develop, there is some data on the persons per squar4

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1 mile that has no particular relevance. 4.5 persons per
2 acre in many parts of this country would be considered a
3 reasonable single family, single house density. You can
4 really put 4.5 units per acre of single family houses.

5 Q Did you make a study as to whether such a
6 density would be proper for Holland Township, High Bridge,
7 the Town of Clinton, or the Borough of Lebanon?

8 A I didn't make such a study.

9 Q My question is, if you are going to live in
10 a high density area, isn't it better to have high density
11 in an area close to your place of employment?

12 MR. STERNS: Your Honor, I would object.

13 Q Are you referring to 4.5 as high density?

14 I just want to give him a frame of reference.
15 The only expert testimony is that 4.5 is not high density.

16 MR.. STERNS: For the purposes of our example,
17 if you define it, I have no objection to the witness
18 answering it.

19 MR. SUTTON: I used the term of 4.5 density
20 of Round Valley.

21 MEL STERNS: As high density?

22 MR. SUTTCN: I think it is going to be our
23 contention that it would be higher density of any
24 of these other municipalities.

25 MR. STERNS: I want to understand the question

1 you are asking him. That is that high density to
2 you, in your knowledge, in your analogy, means 4.5?

3 **MR. SUTTON:** Yes. My question is, what is
4 the advantage of living in an area then, going on
5 Route 78 and then taking Route 287, then 22, finally
6 to the city area, in heavy traffic every morning and
7 every night, living out here? Wouldn't it be better
8 for high density developments to be much closer to
9 the place of employment?

10 **A:** First of all, Mr. Sutton, that is not a high density.
11 I don't see how you can even pretend that it is high density.
12 High density is generally referred to as high rise. Gener-
13 ally speaking, we are talking about something in excess of
14 50 dwellings per acre. When we are getting into garden
15 apartment developments, we are usually talking in terms of
16 something that ranges from around twenty to the acre, even
17 up to forty to the acre, and townhouse density, which is
18 generally from ten to eighteen dwellings per acre.

19 How, you have patio homes, which have very small
20 side yards, in places like Colorado, which has a lot of
21 land around there and very little water. They might run
22 eight to the acre. These are single family, detached
23 homes.

24 4.5 is almost like a classic, old style single family
25 housing subdivision.

1 Now, the point that you make as to what the advan-
2 tage is Ijiving out here and working in Essex County, Union
3 County or Net? York, I wouldn't do it personally. But
4 there are a hell of lot of people out here who apparently
5 love to do it. They are willing to go even as far as Doylestown
6 to live out in this area, in the comparatively fresh
7 air you get here, that we don't get in Hew York City, and
8 to commute long distances. But I don't think that this is
9 the kind of trade-off that we are talking about.

10 I think that basically most of the people would
11 probably live in a development of this kind would be inclined
12 to work in nearby areas, Somerset County, perhaps in Morris
13 County, some in western regions of Essex: and Union County.
14 But I would not anticipate that they would all be going
15 into the center city.

16 First of all, you must remember that the job oppor-
17 tunities have followed people. So that such as in the case
18 of A. T. & T., they have come out here more or less on the
19 heels of the population increase in the area. Sooner or
20 later they will have a situation where all of their employees
21 live out in this general part of New Jersey, that is to say,
22 the permanently attached people.

23 Q Did you not state in your report, specifically
24 relative to A. T. & T., because they moved relatively a
25 short distance, many of the people were able to remain in

1 their residences that they had before?

2 A I would guess that many did. In fact, there has
3 always been a kind of concentration of Bell Telephone
4 activities in New Jersey.

5 They have research laboratories. As I recall, Bell
6 Telephone Lab is down in ~~kn~~mouth County, Whippany and
7 one other place that I don't remember offhand. The reason
8 for this is because of the transportation system.

9 If you were working in Bell Telephone facility in
10 lower, west Manhattan, if you were going to live somewhere
11 other than New York City, then the most convenient place
12 to live was in New Jersey. They have literally followed,
13 but not everyone has been able to find housing out in this
14 area, from what I understand.

15 Q Now, you testified that as part of rather
16 long testimony, that many of the people that will work in
17 Essex County seemed to want to live out here in this county.

18 Have you made any studies as to that, these
19 people who want to live out here and want three acres,
20 five acres of land, so they could have their children in
21 a rural atmosphere, where they can have maybe a couple of
22 horses, or a horse for their children, so they are willing
23 to drive the great distance, did you make a study in that
24 respect?

25 MR. STIERNES: Your Honor, could I ask counsel

1 to indicate where Mr. Akahasi testified that many
2 of the people in Essex County want to live out
3 here, what lengthy testimony is he referring to?

4 Q I believe in answer to one question you
5 stated that there are people who want to live out here
6 in the fresh air, they are going to commute to Newark
7 and New York?

8 A I didn't say
9 that. I said that there are people here who live here
10 now, who work in the center city.

11 Q But you don't know whether these people own
12 the two or three acres of land, or whether — you haven't
13 made any study in that respect, have you?

14 A No, not specifically.

15 THE COURT: Well, they have had to own con-
16 siderable acres because we have, in New Jersey,
17 some of the largest acreage requirements around.
18 So they had to have, in order to live out here,
19 isn't that a foregone conclusion? Once you get
20 beyond Essex and Hudson, which is already built up,
21 Union, the Borough of Cresskill case decided by
22 Chief Justice Vanderbilt, which decided that three
23 to five acre zoning was fine in Bergen County at
24 that time. That took you all the way back to the
25 1927 United States Supreme Court case on planning
and zoning. So it was approved in 1952 or '53.

1 - MR. SUTTCN: I don't think the town disputes
2 -thdt. I think with our land use plan we have been
3 making changes as the conditions change. I think
4 we will show that with our testimony.

5 THE COURT: I think it should be moved along.

6 The question is, have you built on the
7 Madison and Mt. Laurel case criteria now?

8 Q Mr. Akahasi, have you made a study
9 of the land use plan that was adopted by Clinton Township?

10 A I have read the document. You mean the one that
11 was adopted in November, 1976?

12 Q Yes. A Yes.

13 Q Are you familiar with the zoning in this
14 document? A Generally. That
15 does not set forth the zoning, does it, isn't that the
16 matter of a subsequent —

17 Q It is the proposed zoning? A Yes.

18 Q Have you also read the zoning ordinance
19 what was recently recommended in the Township by the
20 Planning Board? A I don't believe
21 I have. I had seen a letter written by Mr. O'Grady of
22 your planning consultants, Kaplan Associates. But I
23 don't remember seeing a proposed zoning ordinance as such.

24 THE COURT: Well, there is one here in
25 evidence, is there not, would you like to look at it?

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MR. STERNS: Your Honor, I was going to ask for an offer of proof, that this witness, who is not testifying with regard to the zoning, but with regard to population and housing. Therefore, I don't believe that it was necessary, nor did he testify that he looked at the zoning ordinance per se.

. I don't object if you say where you are going relative to his expertise?

MR. SUTTON: Where I am going is I believe Mr. Akahasi has made a statement in his report and then with this cross-examination I am going to one part or another. I don't immediately have it on the tips of my fingers, I am quite familiar with it. Whereby, he said that the Pound Valley tract is an ideal location for PUD development. That is in the summary at page 2, I think.

THE COURT: 4.15, the proposed Beaver Brook PUD and it states that their location would accommodate the future both for a primary housing area because of accessibility of place of employment and so forth, as listed in number 14 above. Is that what you are talking about?

MR. SUTTON: Yes.

THE COURT: He is talking about there, though, in terms of an ideal site within the primary housing

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1 market. He is not talking about the zoning, he is
2 just simply saying the site is ideally located.

3 MR. SUTTON: What I intend to question rela-
4 tive to is whether he was familiar with the areas
5 zoned for higher density within Clinton Township,
6 whether he had studied those areas and what his
7 familiarity with those areas were.

8 THE WITNESS: I have only a very cursory
9 knowledge of these locations. I have not specifi-
10 cally taken your maps and gone out and looked at
11 the properties to see whether they were desirable
12 places for housing.

13 I presume this is what you are talking
14 about. I have only a general map idea where they
15 are. I have not done a physical survey of the land,

16 Q You wouldn't be able to state then whether 02
17 not there are other ideal locations within the county or
18 within the Township for higher density housing?

19 A Well, as far as I can determine, in my observation
20 of the various areas in the Township of Clinton, this is
21 the best site in the entire Township for building a PUD.

22 It is highly accessible. It has a golf course, it
23 is close to a convenience shopping area in the Town of
24 Clinton. It is close to shopping down in Flemington. It
25 has nearby schools, it has the Hunterdon County Health

1 facility, the hospital is not too far away down Route 31.

2 I would only say that if I were a developer who
3 had an opportunity to build a PUD on some other site in
4 Clinton Township, I would be very worried about the
5 strength of this location in a competitive market, it is
6 an excellent location.

7 Q Well, there are many locations in Hunterdon
8 and Clinton Township which would fit all the criteria
9 that you just mentioned, there are many areas close to
10 Route 78, there are many areas which are close to all those
11 facilities that you mentioned also? A I don't
12 know of any that are right on 1-78, that is accessible
13 from 1-78.

14 Q You mentioned in your report Union Gap
15 development? A Yes.

16 Q That is not on an intersection, is it?

17 A I beg your pardon?

18 Q Union Gap? A Yes.

19 Q The development? A Yes.

20 Q That is not at an intersection, is it?

21 A No, it does^not have its own interchange, that's
22 true.

23 Q That has been marketable, has it not?

24 A It is marketable at a lower pace, however.

25 Q Are you also familiar with A. N. Best?

1 A I am familiar with their location, yes. You mean
2 the office there?

3
4 Q Yes. That is near an intersection, is it
5 not?

6 A Yes, it is on
7 an interchange.

8 Q New York Life, are you familiar with that?

9 A Yes, I know where New York Life is.

10 Q That is at an intersection?

11 A That is on an intersection. The fact of the
12 matter is that the very fact that these facilities exist
13 there precludes the possibility of putting housing on that
14 same site.

15 Q That is an indication that industry likes
16 to locate near an intersection? A Oh, yes, I
17 would agree with that notion.

18 Q What I am having a problem saying is, your
19 testimony saying-that there is a great advantage for
20 housing at an intersection.

21 When you are building housing, is it impor-
22 tant that the esthetics are important, that the land
23 should not be too flat, except possibly for economic
24 reasons, in the building? A Well, yes, there
25 is an economic problem there. If you are building on the
side of a hill it is going to be obviously - your site
gradation costs are going to be very high. In general,

1 having a location that is visible from an interstate
2 highway is not as critical to a housing development as it
3 is, say, for a shopping center. What the builders, or let's
4 say the people in industry, consider to be a showcase
5 situation for themselves.

6 However, the Goble farm is not at an intersection.
7 It is very near the intersection and the Beaver Brook Golf
8 Club is almost on the interchange.

9 The importance of this to marketing is obviously
10 that both sites are clean. They don't have any noxious
11 industry nearby. The land on the Goble site is flatter
12 than it is on the other side.

13 Visibility in marketing is a very important factor,
14 especially out here in the eastern part of the United States
15 where you are dealing with hills and valleys, and all of
16 that sort of thing.

17 Take properties, like the Heritage properties, I
18 think it is in Southbury, Connecticut. It is one of the
19 hardest projects in the world to find. I know it has
20 affected their marketing base.

21 Q What difference does that make to the people
22 who live there, once they have their home there? If their
23 home is only a few minutes from the highway, what
24 difference does it make if you can see that house from the
25 highway? I would think that most people wouldn't want

1 their house to be seen from the highway, they would want
2 it to be as invisible as possible?

3 A There is nothing wrong with being seen from the
4 highway. The problem is, if you can't market it, who is
5 going to build it. If you can't market it, then where
6 are they going to be living?

7 Q When you are talking about marketing, you
8 are talking about having it visible, so that when the
9 houses are put up for sale that people know that the
10 houses are there, is that not correct?

11 A Yes, it is exposure.

12 Q But there are other ways of exposure
13 also, is there not, by advertising? A Yes.

14 Q There is also a disadvantage being too
15 close to the highway because of the noise level, is that
16 not correct? A I haven't
17 studied the noise generation and its impact on the property.
18 That is somebody else's area of expertise.

19 C) Now, so far as this development, do you
20 know how many of these dwellings will be single family,
21 how many would be townhouses, and how many would be garden
22 apartments? A Well, the
23 breakdown --

24 THE COURT: We have got that from
25 Mr. Rahenkamp.

1 -THE WITNESS: I am sure you have.

2 . . . THE COURT: Well, do you want to do it
3 again?

4 MR. SUTTON: I don't mind mentioning it.
5 What I am getting at, I believe that one half of
6 the garden apartments,, according to one of the
7 witnesses, would have one bedroom. I wanted to
8 ask Mr. -Akahasi what studies he made as to the
9 need within Hunterdon County for that many units.

10 THE COURT: Why don't you give him the
11 figures, say, based on this here in your question.
12 If you want to go through the breakdown again,
13 fine, we have already been through this a number of
14 times.

15 MR. SUTTON: Your Honor, I would point out
16 that Mr. Akahasi's statement, if that is what you
17 are referring to, 2.1, he refers to approximately
18 3,559 units and 4.5 to the acre, 51% of the proposed
19 units to be built on garden apartment structures.

20 2-1 of Mr. Akahasi's report is that which
21 you are referring to.

22 THE COURT: Page 2, proposed development.

23 Q Now, do you know how many of those units
24 will be garden aparrments? A Well, according
25 to the information I have here, the garden apartments will

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1 be 51%. Now., it is 1,821, according to the breakdown.

2 Q, Do you know how many of those garden apart-
3 merits would have one bedroom? A According to
4 the first cut of the proposal, I emphasize that it is
5 the first cut, that if we - I should say when we get the
6 approval to go ahead with the project, we will undoubtedly
7 be asked to make a much more detailed analysis of just
8 exactly what kind of units should be offered. That accord-
9 ing to the first cut, about half would be one and about
10 half would be twos.

11 Q Now, what types of people would purchase
12 a garden apartment with one bedroom?

13 A Generally speaking, you are likely to find more
14 mature types than singles. There are a lot of single
15 people buying houses these days and buying condominiums.
16 In some cases even buying townhouses.

17 Q It would have to be either probably the
18 retired people or single people, because with couples the
19 unit would not be suitable once they had children, is that
20 not correct, even if they were recently married couples?

21 A I would, say that certainly if the families, young
22 families with children, possibly that would not be suitable
23 housing when the children began to arrive.

24 Owning a home is not like it was in the old days,
25 perhaps it never has been. You know, in some parts of the

1 country, in the west particularly, houses turn over at
2 the rate of 20% per year and people change their housing
3 circumstances when their housing needs change.

4 As a matter of fact, if it weren't for the existing
5 stock of housing in which about three million house tran-
6 sactions took place in 1976, as opposed to somewhere in
7 the neighborhood of a million and five new housing, it
8 was a two to one ratio. That is where your supply is and
9 that is the only way that people can accumulate the equity
10 necessary to purchase high cost housing today.

11 THE COURT: Try that again, will you, I
12 didn't really understand you?

13 THE WITNESS: I said that sales of existing
14 houses had been running in the order of about three
15 million. It was approximately three million in
16 1976.

17 THE COURT: Units or dollars?

18 THE WITNESS: Units, three million units.
19 The housing starts, new housing starts were in the
20 area of a million and five last year. This includes
21 everything, so that your single family perhaps is
22 less than a million in 1976. So the existing
23 housing stock is a very important part of the
24 supply. As the filtering down concept visualizes,
25 most of the moves today are from an existing house

1 into a new house. In other words, only about 35%
2 of the buyers of new homes today are first time
3 buyers, they simply can't afford it.

4 Q Would not the more retired people, mature
5 people, if they had their choice, according to your
6 study, be more apt when they retire, especially if their
7 relatives were not living close at hand, would be much
8 more apt and want to live in a village near the shore
9 or possibly to Florida, possibly in one of the southern
10 States than to come out here and retire, living along

U busy #31 and busy #78? A You know,
12 Mr. Sutton, I think there is a subtle change taking place
13 in the way people retire all over the country. You have
14 more and more retiring going on, such as quasi-retirement
15 into the communities that they have lived for many years.
16 Not everybody is rushing to go to the sun belt.

17 One of the problems with going to the sun belt is
18 that everybody got the same idea at the same time and
19 it isn't that attractive.

20 I might add, you couldn't pay me enough money to
21 go to Florida to live.

22 Q But when you mention —

23 A I would much rather live in Hunterdon County.

24 THE COURT: Fort Lauderdale on Easter week-
25 end is not a place for a retiree at all. You have

1 to be young and vigorous to walk the street, other-
2 wise you end up in the ocean,

3 Q You are talking about the community and now
4 I recognize that there are certain persons living in Clinton
5 Township who, because of relatives who like to stay in
6 Clinton Township, we have to provide such a need. But
7 there is a tremendous number of dwellings, garden apartments,
8 and you would have to get purchasers from a considerable
9 distance, from outside the county, isn't that correct?

10 A I presume there would be people working outside, of
11 the county who would be living in this development. I
12 would say that it would have a great appeal for people who
13 work in Somerset County, for example, or people who might
14 eventually work in industrial establishments or office
15 parks that might be established in Hunterdon County, and
16 more particularly in the Township of Clinton. I understand
17 that you have something like, what is it, 2,337.9 acres set
18 aside for RCM, something like that. I don't know whether
19 that figure is correct or not.

20 THE COURT: It is six times that amount
21 that the County has set aside.

22 THE WITNESS: I assume that you are looking
23 forward to an increase, an enormous increase in
24 employment opportunities, if you follow the
25 county's method, which is to say that for every

1 acre of building you have eleven acres of land,
2 which is a lot of land per building. So that is
3 a very low density of development.

4 If you apply to that that there would be one
5 employee for every 555 square feet, which the County
6 of Hunterdon has used in its studies, I figured that
7 you have enough room in your ROM area for 16,000
8 employees. That is three times as many people that
9 you have got in the Township right now, including
10 older people and kids.

11 Q You are not an expert on zoning, are you?

12 A No, I don't regard myself as a zoning specialist.
13 I have seen a lot of zoning ordinances over the period of
14 time.

15 Q Are you familiar with the number of persons
16 under the proposed zoning that could reside on the Round
17 Valley site, in dwellings on the Round Valley property west
18 of Route 31?

19 THE COURT: Under the proposed zoning?

20 MR. SUTTON: That's correct.

21 THE COURT: Are you familiar, yes or no?

22 THE WITNESS: Under your proposed zoning, no,
23 I am not. I don't know how many people could live
24 there.

25 Q You haven't studied that at all?

1 A I haven^ft gone into it in any great degree, no.

2 THE COURT: Okay, gentlemen, moving along at
3 such a fast pace, I think we will break for lunch
4 now and come back at 1:30. Is that satisfactory to
5 you?

6 MR. STERNS: Your Honor, I would just wonder.
7 We have Professor Hordon ready. I would produce him
8 this afternoon, depending on what Your Honor thinks
9 is the extent of the cross-examination.

10 MR. SUTTON: I would be about one half hour
11 more.

12 THE COURT: And Mr. Cain?

13 MR. CAIN: I don't think I have a half hour,
14 but I have under estimated in the past, Your Honor.

15 MR. STERNS: We will ask Mr. Hordon to be
16 here at two o'clock, just to be safe.

17 THE COURT: I assume Mr. Cain has some, and
18 I would think that he would have at least a half
19 hour, so at least two thirty or a quarter to three.

20 (Whereupon, a luncheon recess takes place.)

21 THE COURT: Now, Mr. Sutton.

22 CROSS-EXAMINATION CONTINUED BY MR. SUTTON:

23 Q Mr. Akahasi, do you know* how many townhouses
24 there will be in the proposed development?

25 A How many townhouse units are proposed in the development?

1 Q Yes.

2 THE COURT: Nine percent, isn't that it?

3 THE WITNESS: It is 40%.

4 THE COURT: Oh, really, 40%?

5 THE WITNESS: 40% single family attached.

6 THE COURT: 40 times three, 559, Mr. Sutton.

7 Q Do you know how many rooms there would be in
8 the townhouses? A According to the

9 very preliminary first cut, there would be 25% one bedrooms,
10 50% two bedrooms, and 25% three bedrooms, which is highly
11 schematic at this point.

12 Q About one fourth of the townhouses would have
13 only one bedroom, is that correct? A Yes, that
14 is the way it has been discussed up to this point.

15 Q Now, I believe you testified that the people
16 living in this development would be able to work in Somerset
17 County, many of them, is that correct?

18 A The people who would live in this development might
19 work in Somerset County, yes, they might.

20 q Have you testified to that effect?

21 A I don't know if they testified to that effect, but
22 there are a lot of people in Clinton Township who currently
23 work in Somerset County. I have no reason to think that
24 the future population of the county or of Clinton Township
25 might not also work there.

1 Q Did you make any study of the larger plants,
2 such as Ethicon and RCA, to determine whether or not they
3 are looking for employees? A You mean additional
4 employees?

5 Q Yes. A You realize, of
6 course, that there is a thing called turnover in employment,
7 and there is always changing employment in any kind of
8 facility, that they don't need to necessarily add in order
9 to have different people moving around.

10 Q Did you make any study? A No, I did
11 not, no specific study. We got information on the total
12 number of people employed.

13 Q Now, you specifically spoke about New York
14 Life. Did you make any study to determine whether there
15 were people working at New York Life who are looking for
16 homes at the present time? A I did not make a
17 specific study. I know that only one moved into Union Gap
18 Village as of February, whatever it was, 1977.

19 Q The other people are living some place. Is
20 that correct? A I presume they
21 are living some place. I understood that some lived in
22 Morristown, some lived in the Allentown-Bethlehem area.

23 Q Was that as a result of a study that you made
24 yourself? A No.

25 Q Did you include any study over the last thirty

1 or forty years, as to the distance that persons living
2 in the county would have to drive to work?

3 A Did I make a study of how far people go to go to
4 work?

5 Q What I am getting at is this, whether or
6 not say since 1950 a greater percentage of people have had
7 to drive further and further to work because there is not
8 sufficient industry in the county, did you make such a
9 study? A No. As a matter
10 of fact, the reverse is true. People go further and further
11 from the place of work because of the transportation
12 facilities. The highway network permits them to live fur-
13 ther away. This is measured in time, not only in distance.

14 Q You know that that is correct in this area?

15 A Yes.

16 Q Do you know what the train facilities were,
17 train schedules, twenty and thirty years ago, than what
18 they are today, say from High Bridge?

19 A I don't know what they did before, but I do know that
20 people do travel further by automobile to go to work,

21 Q Now, I would like to go to Roman numeral VI.3.
22 I think that covers housing needs.

23 THE COURT: Is that chart 34?

24 MR. SUTTON: I would like to consider chart 34
25 first.

1 .THE COURT: All right.

2 CJ Now, would you explain what chart 34 is
3 intended to indicate? A Chart 34 is taken
4 from data in the study by the D.C.A., which is entitled
5 An Analysis of Low and Moderate Income Housing Needs in New
6 Jersey, in which they published this information.

7 The first number Physical Housing Need, consists of
8 deteriorated and delapidated units, units lacking essential
9 plumbing facilities. Meaning that they lack a toilet, bath-
10 tub or kitchen sink, something of that sort.

11 Q If I may interrupt you there, those could
12 probably be repaired or fixed up, is that not correct?

13 A Some can, generally speaking. When you speak of
14 delapidated housing, there is a definition of delapidated
15 housing in the other report.

16 Delapidated housing usually is regarded to be some-
17 what too far gone to be economically repairable.

18 Generally, delapidated housing consists of structures
19 in which there are major structural defects. There are a
20 whole series of minor structural defects and so on. They
21 are usually in very, very bad shape, almost short of being
22 inhabitable. So that group, I would say, probably you would
23 not want to spend the money to repair them.

24 In terms of deteriorated housing, that is somewhat
25 lesser a degree of - well, let's say deterioration, and

1 you might consider rehabilitating them, yes.

2 Q Let me just ask you this, you say that you
3 wouldn't repair these houses. What would happen to the
4 land, the houses are on land, would you tear them down
5 and build them new houses, you would have the land there
6 for the houses, is that not correct? A I didn't
7 say we were going to tear down anything. I merely said
8 they are in this condition. If they are housing that is
9 delapidated, and there are people living in them, you don't
10 tear them down unless they are condemned. Obviously, there
11 are many delapidated housing units in the State that are
12 being used, even though they are in bad shape, because
13 there are no other housing alternatives.

14 Q Would you explain the item two and item five,
15 the financial housing needs, and then net housing needs?

16 A Well, item number 2, financial housing need, I don't
17 remember the specific percentage of income that was used to
18 denote that they were paying too much money either for
19 rent. I believe it is almost entirely in the rental category.
20 I don't recall what factor they used, it is probably over
21 25% or sometimes it is a third or more.

22 Number three is simply the total of one and two.
23 Number four was a discount factor that said that there was
24 an overlap between a couple of the categories. I believe
25 the two was overlapping with physical housing needs, so

1 they reduced-it at this point. Item number five is simply
2 three minus four.

3 Q How, I would like to go to your chart 35.
4 Would you tell me what that designates?

5 A I beg your pardon?

6 Q Chart 35 on the same page?

7 A Yes. What is. it?

8 Q What does that chart designate?

9 A What the chart designates present need would be,
10 1970, delapidated and overcrowding units. Again, I don't
11 remember exactly what factor they used, probably 1.1 person!
12 or more per room. Meaning that there would be six people
13 living in five rooms.

14 Delapidated, of course, is the worst category of
15 housing. Obviously, it does not include those that are
16 so-called deteriorating units. Plus the vacant units
17 needed to provide mobility, according to the D.C.A. as stan-
18 dards, which as I recall, meant that-you had to have a
19 5% vacancy rate in rental housing and 2% vacancy rate in
20 purchased housing, that is, housing for sale only, in
21 order to have enough housing units to permit people to move
22 without too great difficulty.

23 So that the addition of that and the prospective
24 needs, is based upon their estimate of population growth,
25 and that part of the population growth that would be in the

1 low or moderate income category.

2 Q Your needs for the entire county is 4,511,
3 up to the year 1990, is that not correct?

4 A That is the prospective need. That is additional
5 over what they had in 1970, according to this method of
6 calculation.

7 Q You do not have a chart which indicates the
8 houses that have been built between 1970 and 1977, do you?

9 A Do I have a chart, I have a table that gives you
10 building permits between 1970 and 1975. It is a six year
11 period, not here, but some place else.

12 Q That would give us an indication of the
13 number of dwelling units that were built during that
14 period of time?

15 A Probably, because
16 the rate of the fall off is very small.

17 THE COURT: Where is that, you say you have
18 it some place and you relied on it, if so, what
19 is going on?

20 THE WITNESS: It is in another section of
21 the report, Your Honor, the permanent data for
22 housing units authorized would be on page 4-6, that
23 is chart number 13.

24 THE COURT: 4-6, all right, here you are,
25 Mr. Sutton.

MR. STERNS: Also, Appendix D.

1 Q Does it do it for the county, at the end
2 of the report, that would be chart 13 on Roman numeral
3 IV.6, is that correct? A You mean the
4 permanent data?

5 Q Yes.

6 THE COURT: 3,195 building permits from¹70
7 to '74?

8 THE WITNESS: To '74, right, roughly 3,600
9 from '70 through '75, a six year period.

10 THE COURT: What was the housing need in 1970
11 that you added that to — I'm sorry, I thought you
12 had a housing need established in 1970?

13 THE WITNESS: That is the need*based upon these
14 factors of quality.

15 THE COURT: Which need are we talking about,
16 the prospective need or net housing need, 34 or 35?

17 THE WITNESS: The difficulty is that we are
18 talking about two different subjects entirely.

19 The fact that 3,600 housing units were author-
20 ised by permits in a six year period from '70 to
21 '75, really doesn't necessarily address the problem
22 of the housing need which is based on low income
23 and delapidated conditions and so on.

24 3,600 units, if they are in Hunterdon County,
25 are primarily single family houses and primarily

1 those that would sell for \$50,000 or more. So we
2 are talking about apples and pears.

3 THE COURT: When you refer to D.C.A., refresh
4 my recollection as to what D.C.A. means?

5 THE WITNESS: Department of Community Affairs,
6 State of New Jersey.

7 THE COURT: You relied on a report of theirs?

8 THE WITNESS: To establish the low and moder-
9 ate income need.

10 THE COURT: Is that the State-wide allocation
11 report?

12 THE WITNESS: This chart number 35, yes,
13 that is based on State-wide allocation.

14 THE COURT: That is marked in evidence?

15 THE WITNESS: It is marked in evidence.

16 THE COURT: As long as he has something to
17 ground it to, I thought we were floating, all right.

18 All right, Mr. Sutton, next?

19 Q Now, I would like to go through Appendix G,
20 Population Projections. These projections were prepared
21 by Hunterdon County, is that correct?

22 A As far as I know, they were, yes, the County
23 Planning Board.

24 Q The population of Clinton Township in 1975
25 was 6,200 people, is that correct?

1 A You mean, the difference between 8,800 and 5,100
2 and 6,200?

3 Q That's correct, yes.

4 A I see it, maybe, yes.

5 Q The projection for the year 2000 is 14,000
6 and their development again on this tract of land between
7 three and four percent of the Township, would bring in
8 more persons than is projected for the Township through
9 the year 2000, is that not correct?

10 A Yes.

11 Q Now, I would like to go to Appendix J,
12 would you tell us what Appendix J indicates?

13 A Population in Housing Units in 1970 by Municipality.

14 Q The first, where it says 1970 population,
15 that refers to people, does it not?

16 A Sure.

17 Q Then the next column indicates the number
18 of housing, is that not correct?

19 A The number of occupied housing units, yes.

20 Q Again, with the 3,500 proposed units, that
21 would make this development more than twice the size as
22 Clinton Town, is that correct,¹ in Clinton Town, there
23 are only 577 dwelling units, is that not correct?

24 A I see that, yes.

25 Q So it would be many more times the number

1 of dwelling units in this development as in Clinton Town
2 itself? , A Yes.

3 THE COURT: As compared to 1970?

4 MR. SUTTON: Yes.

5 THE COURT: You have had all of the build-
6 ing permits in Clinton Township in those 3,600?

7 MR. SUTTON: I am talking about Clinton
8 Town. I don't think there is as many in Clinton
9 Town.

10 THE COURT: I don't know what validity there
11 is in comparing Clinton Town and Clinton Township,
12 what is the validity?

13 MR. SUTTON: What I am getting to is that
14 Clinton Town is one of the bigger towns and this
15 development would be approximately four times as
16 many units as in the entire town.

17 THE COURT: For 1970?

18 MR. SUTTON: Yes. I don't know how many
19 building permits or what else has occurred from
20 1970 to 1976.

21 The 1977 number of occupied housing units
22 may not be as valid compared to today.

23 THE COURT: You have 1,388 in the Township,
24 plus you have 3,600 more, if I understand your
25 previous question. So that gives you 1,488 units

1 as compared to 3,500 which is proposed. Those
2 figures I can compare, but I am failing to find
3 any comparison to Clinton Town and it is a 1970
4 figure?

5 MR. SUTTON: This 1970 is the best way.

6 THE COURT: The permits have been brought
7 up to date in Clinton Township?

8 CROSS-EXAMINATION CONTINUED BY MR. SUTTON:

9 Q There would be more units than in Flemington
10 Borough, is that not correct? Flemington Borough indicate^s
11 that there is 1,474 units. So on this proposed development
12 there would be more than twice as many units as in
13 Flemington Borough, is that not correct?

14 A That's correct.

15 Q Now, in your summary, that is number 13,
16 you state the most equitable way to allocate the need
17 among counties is by determination of vacant, developable
18 land. Is that correct? A Yes.

19 Q As I understand it, that is the only criteria^s
20 that you use? A That is the
21 only one I used, that's right.

22 Q You didn't follow the same criteria
23 that the State did in their allocation report?

24 A No, I did not, they used this as one of them.

25 Q As one of the criteria? A Right.

1 MR. SUTTON: That's all the questions I
2 have.

3 THE COURT: Mr. Cain?

4 MR. CAIN: Mr. Sutton was so thorough,
5 Judge, that I don't think I will take too long.
6 I see it is already two twenty and it did take
7 him about a half hour, as he promised.

8 CROSS-EXAMINATION BY MR. CAIN:

9 Q Mr. Akahasi, one of the exhibits for iden-
10 tification which was offered was a map that showed a
11 fifty mile radius, P-95 for identification. I am not
12 sure you noticed that the fifty mile ring is as big as
13 the New York metropolitan area? A Nobody did.
14 That is just an illustrative map.

15 Q When was this done, was this part of a
16 study of any sort? A The map just
17 shows us what a fifty mile radius is. It doesn't pur-
18 port to represent that it by itself creates a region.
19 It so happens that many of the communities or the counties
20 which are included in the RPA definition of the region
21 are within that 50-mile radius. Some are outside of it.

22 THE COURT: RPA, what is that?

23 THE WITNESS: Regional Plan Association,
24 from New York.

25 THE COURT: You have a report from them

1 marked into evidence?

2 -.] THE WITNESS: Gee, I don't think so. They
3 are referenced in a number of instances in my
4 report.

5 MR. CAIN: I was getting to them, Your
6 Honor. I heard that.

7 THE COURT: If we are going to reference it,
8 we could dig out the basic report that we are rely-
9 ing so it will be available,

10 MR. CAIN: Are you asking the plaintiff's
11 counsel to do so, I don't have it.

12 MR. STERNS: I believe that to the extent --
13 I don't believe we discussed this with regard to
14 the footnote on the Regional Plan Association.
15 I believe that the witness testified that was
16 simply illustrative of his main point.

17 I think he also testified that he did not
18 use any data from the Regional Plan Association.

19 THE WITNESS: No.

20 MR. STERNS: If it is not identified, I'm
21 sorry, I may have that wrong, I thought you were
22 talking about that footnote with footnote 6 this
23 morning?

24 THE WITNESS: I'm sorry, is there a question
25 I'm supposed to answer? What is the question?

1 **THE COURT:** If we have that Regional Plan
2 Association report upon which you are relying,
3 Mr. Sterns could have it marked for identification.

4 **THE WITNESS:** The report of the Regional
5 Plan Association is referred to in my report and
6 this is a quote from it. It is footnote number 4
7 on page 3.2. That is one of the reports or at
8 least one of them that delineates the thirty one
9 county region that they deal with.

10 **MR. CAIN:** What I was trying to find out
11 and clear up — excuse me, counsel.

12 **MR. SIERN:** I apologize, I was just wonder-
13 ing if we had that document, in which case we would
14 offer it.

15 **THE WITNESS:** I don't happen to have it
16 with me, no. I have a copy in my office.

17 **MR. CAIN:** I was just trying to clear up
18 some question on direct testimony, Your Honor,
19 on Mr. Akahasi.

20 **CROSS-EXAMINATION CONTINUED BY MR. CAIN:**

21 **Q** We have the map which now is illustrative
22 of the fifty mile radius and wasn't determined by anybody
23 to any particular region? **A** No, somebody
24 stuck a pin in it and drew the fifty mile radius.

25 **Q** Very arbitrary? **A** Well, any mileage

1 is arbitrary, to a point.

2 . . . Q Then it might have been just as valid to
3 put a pin in Philadelphia and draw a ring that way and
4 you would probably be about fifty miles from Philadelphia,
5 would we not? • A I would think

6 not, simply because Philadelphia has an area, probably
7 doesn't have the kind of extended area of socio-economic
8 interdependence that New York does, the largest city
9 in the United States.

10 Q This is what I am getting to, I am not
11 trying to be argumentative. A Hagstrom Map

12 Company produced this map.

13 Q Are you trying to determine —

14 THE COURT: Let's not taunt each other,
15 please. If he is answering, let him answer, then
16 ask the next question and finish your answer,
17 please.

18 THE WITNESS: The Hagstrom Map Company
19 produced this map. It shows that, for example,
20 Clinton Township or the Town of Clinton is located
21 within a fifty mile range, Flemington, Lakewood,
22 and it goes up the southern borders, southern part
23 of Dutchess County. It goes up the Hudson River
24 about a third of the way, into Suffolk County
25 out on the Island. It has not been presented as

1 necessarily purporting to be anything but 'what it
2 exactly is, a fifty mile radius.

3 Q Fine, that is what I was trying to find
4 out.

5 Then you are not telling us that the region
6 under the cases of which Clinton Township is a part, is
7 necessarily the region of which New York is the center,
8 which has a fifty mile radius, that wasn't the purpose
9 of that esdiibit? A I think you
10 have got two (things involved in which you say that we
11 are not a part of the region in which the City of New
12 York has a central role.

13 That I would argue is something that we have con-
14 tended that there is some relevance to. But the fifty
15 miles in and of itself doesn't necessarily purport to do
16 that.

17 Q Is it fair then, I am just trying to get to
18 the bottom of this, is it fair to say then, Mr. Akahasi,
19 that we have the influence of New York out here in this
20 area? A I am sure you
21 do.

22 Q More than the influence of Philadelphia?

23 A Ch, positively.

24 Q But you really are putting Clinton Township
25 into, I believe, a five county region of Essex, Hunterdon,

1 Morris, Somerset and Union? A I regard that
2 to be, a sub-region/within the macro region.

3 Q Without repetition, you disagree with the
4 State's allocation plan that put us in the region that
5 was Hunterdon County itself? A Most emphati-
6 cally.

7 Q You mostly disagree with then that they
8 didn't follow their own standards?

9 A That's right, yes, sir.

10 Q In your conclusions, on, I believe, it is
11 number twelve, I can't find the page number —

12 THE COURT: Multiple Housing --

13 MR CAIN: I can't find the page number.

14 THE COURT: It is number 12.

15 Q Under the summary and conclusions, number 12,
16 which starts off and says, "Multiple family housing is
17 built at greater density than detached single family,
18 resulting in lower land costs per unit and contributing
19 attainment of least cost housing." .

20 Is it true then to say that you consider
21 multiple family housing as a way of achieving least cost
22 housing? A Yes, I think so.

23 Q Now, I believe Clinton Township, Mr. Akahasi,
24 has some multiple family zoned at a density of eight
25 units, gross units, per acre, which is a higher density

1 than the Beaver Brook project which, of course, is 4.5?

2 A , Yes.

3 Q Now, is it possible to achieve any low
4 cost or least cost housing with multiple family housing at
5 eight gross units per acre, in your opinion?

6 A Excuse me, is this the proposed zoning ordinance,
7 what section is it in?

8 MR. STERNS: Your Honor, I would like
9 counsel to refine the question. I think he mentioned
10 two concepts, one of gross and one of net. Are
11 you comparing gross to gross or gross to net?

12 THE COURT: In what zone, for what uses
13 are allowed under the proposed, the clerk has all
14 of the maps and everything else?

15 MR. CAIN: Your Honor, I didn't think that
16 it was in dispute that the CR-1 and CR-2 zones
17 provided multi-family at eight units per acre.
18 We have been over that with Mr. Rahenkamp.

19 We have been over that with all the objec-
20 tions, which amounted to some kind of camouflage
21 because^of the setbacks and all of the other types
22 of problems involved.

23 I think my question to Mr. Akahasi is more
24 general.

25 THE COURT: P-54?

1 MR. CAIN: If that can be put up on the
2 board?

3 THE COURT: Mr. Akahasi will know what
4 you are talking about, so he can relate to some-
5 thing.

6 MR. CAIN: Mr. Akahasi had previously
7 indicated that he hadn't studied the zoning
8 ordinance, so I am not asking him the question
9 in the same contest that I asked Mr. Rahenkamp.
10 I am just saying, generally, in a multiple family
11 housing zone with a density of eight gross units
12 per acre, which, for reference purposes, is CR-1
13 and CR-2 on the map --

14 THE COURT: Would do what?

15 Q Is it your opinion that you can achieve
16 least cost housing in multiple family housing at a density
17 of eight per acre? A This is a
18 theoretical question without reference to the properties
19 that you are speaking of, because I haven't studied
20 these properties.

21 Under the assumption that the original land cost
22 is modest and:the cost of land development is modest, that
23 the property doesn't offer, our properties do not offer
24 any obstruction to the development by severe grades or
25 underground conditions, all of which I know nothing, and

1 that the land cost input as a total is modest, it could be
2 possible do that, yes.

3 Q As compared, for esiample, with 4.5 units
4 per acre? A If you were

5 to take the same piece of land, exactly the same piece
6 of land and say, if you were going to develop it at
7 8.0 gross density as opposed to 4.5 gross density, it
8 would appear that the land cost input would be smaller
9 if you had a higher density. But by the same token, on
10 the other hand, without speaking of specific pieces of
11 land and to my point of view, unless I would personally
12 feel that they were marketable, you are talking in a
13 vacuum.

14 Q Then your answer is, without making a study
15 of the particular piece of land and particular constraints
16 in the ordinance and marketing study with respect to the
17 price of the land, you really can't determine whether or
18 not eight units an acre would contribute to least cost
19 housing? A Unless I know

20 what the land is it would be an exercise in —• well, I
21 would be guessing, wouldn't I. If it cost twice as much
22 to develop this land or three times as much, you have a
23 problem, and I don't know the answer to this.

24 Q It seems that sometimes you have to gener-
25 alise and you have, in some of your testimony, indicated

1 densities, gross densities per acre for townhouses and
2 certain densities for apartments and so forth.

3 So I was just following that through,
4 Mr. Akahasi, I wasn't asking you to pinpoint a particular
5 site.

6 Assuming that land costs in the range of say,
7 the very project which you are talking about, a portion
8 of that land, for example, or other similar land in the
9 Township with a similar price, I was questioning you as a
10 housing expert, as to the ability of a municipality through
11 zoning to achieve some least cost housing. I guess basically
12 my question was, can you, by the vehicle of multiple family
13 housing at eight gross units per acre, can you achieve what
14 the court has in mind, or attempt to achieve it?

15 A Assuming that the other conditions are there, it
16 would contribute to the achievement of that, if you are
17 making land available to develop in that manner.

18 Q Wow, the Mt. Laurel decision has been men-
19 tioned before, which is 67 New Jersey, on page 200, about
20 halfway down the page. A What are you

21 referring to, sir? J

22 Q I am referring to the Mt. Laurel decision.

23 A I don't happen to have it.

24 q 67 W.J. at page 200. A All right.

25 Q One of the elements which the court was

1 bringing up as a problem is listed there. I believe that
2 number three was a prohibition of multi-family housing.

3 I THE COURT: Prohibition of multi-family
4 housing?

5 MR. CAIN: This was a concern of the court.

6 Q Apparently the prohibition of multi-family
7 housing, and referring to footnote 8 on the bottom of
8 page 200, 201, I believe the court said, "There is no land
9 zoned for multi-family housing in Somerset County. Only
10 .006% is so zoned in Monmouth County,¹¹ and cites footnote 8.

11 A Yes. What is your question?

12 Q Basically the question is, would you agree
13 with the court that multi-family housing is a method of
14 achieving least cost housing? A Yes.

15 Q Now, following the same thought, in your
16 previous discussion with Mr. Sutton, when he raised the
17 question that there was quite a bit of vacant land both
18 in Somerset and Morris County, I believe you raised the
19 question that with that vacant land why wouldn't they
20 satisfy their housing needs? I believe you indicated the
21 statistics showed, that people just weren't settling there.
22 Wasn't that about what you said? A You mean in
23 terms of the population increase in those areas, or lack
24 of increase?

25 Q Yes. A The comment

1 I made was that in Somerset County there has been an extremely
 2 small increase in population, and that there had been a net
 3 out migration population. The only reason for the increase
 4 in population had been due to the excess of births over
 5 deaths, and the same thing applies to Morris County.

6 Q What I am getting to is, maybe it is beyond
 7 your studies, I wonder if one of the reasons why there is
 8 a large amount of vacant land in Somerset County and in
 9 Morris County might have to do with the zoning?

10 I just pointed, for example, to the Mt. Laurel
 11 decision where they indicated in Somerset County there was
 12 no zoning for multiple family housing?

13 A It could very well be. They also said that the
 14 number of multiple housing units were built in spite, which
 15 was probably done in a PUD, on a specific approval basis
 16 like in Hillsborough Township.

17 Q In terms of satisfying the fair share of
 18 the municipality in terms of least cost housing, do you
 19 think that you can achieve the goal, or assuming that you
 20 can achieve it through the zoning process at all, do you
 21 think that you can achieve the goal any more expeditiously
 22 through multi-family housing, let's say a PUD at the rate
 23 of 4.5 gross units per acre? A I don't know

24 that there is an answer to that question without describing

III exactly what you are talking about. Furthermore, we are

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1 still talking in a vacuum without considering the develop-
2 ability or desirability of the land.

3 THE COURT: It is a hypothetical with so
4 much left out, Mr. Cain, it just becomes theoretically
5 irrelevant. It doesn't have any probative value.

6 If you want to say, together with access,
7 this kind and type, with all other factors that mean
8 something, to build it into something, the way you
9 are putting it no one can answer it.

10 Q There are too many things left out, is that
11 your point? A Yes, it is, I
12 can't relate to it.

13 Q You have studied the Beaver Brook site, you
14 have indicated that you have been on the Beaver Brook site,
15 I believe you said you wanted to get the site -- the smell
16 of it, as it were? A Yes.

17 Q Assuming then that there was a CR-1 zone for
18 a portion of say the westerly side of #31, of the golf course
19 side, zoned at a gross density for multi-family at eight
20 gross units per acre, now we are talking about the same piece
21 of land and we would probably have eliminated the variables
22 that you have indicated. Could low cost or least cost hous-
23 ing be achieved at that density, on that site, by way of
24 multi-family? A I have been on
25 the site, but I don't know that I could answer a question of

1 that kind without trying to fit housing units on particular
2 developable sites, particularly if you have a golf course
3 that I believe takes up something like 140 acres, plus or
4 minus. That leaves you with various kinds of land segments.

5 Now, when we talk about least cost housing, we
6 speak of multi-family housing. You know, there is a great
7 big difference in the cost of building garden apartments
8 and townhouses as opposed to high-rise structures.

9 High-rise structures fall into basically several
10 different groups. For example, if you build five stories,
11 it means one thing in terms of the cost of development
12 per square foot of building. The moment you go into high-
13 rise you are running into all kinds of cost problems.

14 So that if, unless you can put the units on the
15 property and see where they fit, keep it at a relatively
16 modest height, let us say, the garden apartment density or
17 the townhouse density, you are fooling around with another
18 kind of cost parameter. So that I can't answer that ques-
19 tion without some additional -- unless somebody like
20 Mr. Rahenkamp or his organization were to place the units
21 on the site.

22 Q Well, Mr. Akahasi, I guess what I am asking
23 you is how you, as a housing expert, would solve the housing
24 problem which you say we have in Clinton Township?

25 Would you, if you were hired by the Planning

1 Board in the municipality to make a recommendation to the
2 Zoning Commission, the Planning Board, to help them in
3 their proposed zoning for the municipality, *7that would
4 your recommendation be?

5 THE COURT: If you see P-94 in evidence,
6 recommendations 1 through 16, I know that answer.

7 MR. CAIN: Then we get right back to where
8 I was before, which he couldn't answer. That
9 number 12 said multiple family housing contributed
10 to the obtainment of the cost of least cost housing.

11 What I am asking Mr. Akahasi is, would he
12 recommend a PUD such as Beaver Brook to take the
13 entire population projection for Clinton Township
14 to the year 2000 as a means of, (a) solving the
15 housing problem and, (b) achieving the court's
16 mandate of least cost housing?

17 THE COURT: Is that clear enough?

18 THE WITNESS: Mr. Cain, the estimates of
19 population projections traditionally are made in
20 very simple ways. If you have an area that is
21 large enough, you may use various techniques, such
22 as the Cohort Survival, which takes the population
23 at five year intervals and then introduces the net
24 migrations. Then there is the Donoman method,
25 which is part of the Department of Labor, which takes

1 an estimate for 1975, For particularly small areas
2 such as Clinton Township, the traditional methods
3 that Planning Commissions use is to simply to say,
4 either extend the growth pattern of the past, usually
5 based upon experience, and simply extrapolate them
6 as a straight line projection or a percentage
7 increase, something in between.

8 So this is based also on the kind of zoning
9 that we now have in a community, which, of course,
10 contemplates nothing but single family homes for
11 the most part.

12 How, then, under those circumstances, to
13 relate an increase in population or housing units
14 in a single development to that population, is
15 some kind of a circular reasoning. It is to say
16 that this is a desirable population for us in 2000.
17 Therefore, you are going to increase our population
18 too fast and that does not necessarily hold. I think
19 that one must consider also that if you were to take
20 the entire County of Hunterdon as the Hunterdon County
21 Planning Board has done and made suggestions that
22 the growth centers be concentrated so that you would
23 not have to extend your utility lines for miles,
24 miles and miles, and to relieve traffic congestion
25 and so on, you end up with maybe five or six areas,

1 four, five, six areas, in which they suggest that
2 the [future population be concentrated. These are
3 such areas as the Clinton, High Bridge area, which
4 the proposed development is a part.

5 They have mentioned many, the Lambertville
6 area, they have mentioned two or three others, the
7 Frenchtown area. They said that these are the only
8 sewerred areas and there are a couple of other areas
9 that might in the future be sewerred.

10 Q So that in making an estimate of the fair
11 share based solely on vacant, developable land, you are not
12 considering the varying degrees of the developability within
13 the county? A township does not have developable character-
14 istics per se, sites within the township do.

15 A It so happens that within my judgment, the property
16 of my client is one of the most developable pieces of
17 property, both from its locational point of view, which I
18 have outlined in my summary, as well as from the point of
19 view of marketability.

20 Unless the system is going to be changed drastically
21 in this country, nobody is going to build housing that they
22 can't sell or rent.

23 Q How, you indicated in your previous testimony
24 that in our society people would continue, would not be
25 told where to live, they would have a choice of where to

(1}

1 live. Would you say that putting 10,500 people, or 3,500
 2 units developed on 790 acres, or less than 3% of the Town-
 3 ship, is really going to give future residents of Clinton
 4 Township much of a choice where they want to live in the
 5 Township? A There is a trade
 6 off, there are a couple of elements. Number one, we are
 7 talking about building least cost housing and that is not
 8 generally, as has been demonstrated, satisfied by single
 9 family houses on two acre lots, because the lot cost is
 10 going to be too high.

11 The other part of the story is that if you x*ere to
 12 take the same 3,559 housing units and distribute them
 13 all over the Township, I suggest that you may have some
 14 rather serious problems of servicing these housing units.

15 Q Suppose that instead of having the 3,500 units all
 16 in one PUD, that you had five or si:: PUD's of 600 plus
 17 units, each in the range of 600 to 1,200, located where
 18 municipal services can be provided. Is that not equally as
 19 valid a way of approaching the cost of low cost housing
 20 as this 3,500 unit all on one area?

21 A Well, that assumes that you have equivalent sites,
 22 correct.

23 Q Yes, sir. A I have no particu-
 24 lar choice between, you know, six, seven or one. It so
 25 happens that this particular site does seem to have the same

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1 characteristics that make it far more developable than
2 others., «

3 It is a realistic situation in which the owner has
4 already assembled the land and will not have to start from
5 scratch and pay high prices, and so on. Those consider-
6 ations are very important to any kind of real estate
7 assessment of achievability of a development. Which I
8 think in the last analysis is the thing which one has to
9 consider.

10 Q I understand your point there.

11 Going on to another one, the fact of visibility
12 from a major highway, is that more important for a residen-
13 tial development or for an industrial development?

14 A Well, if you are talking about a showcase office
15 development, something of that sort, an R and D plant,
16 that would be a prerequisite that you probably would not
17 be able to avoid. In other *ords, you wouldn't even sell
18 the land without it.

19 Q Have you made studies for industry seeking
20 sites to build? A Have I made

21 studies for industries seeking sites to build on?

22 Q Yes. A I have canvassed
23 the northern New Jersey area for sites on which to build
24 offices and light industrial parks, yes, some time ago.

25 Q Do they, correct me if I am wrong, do they

1 prefer to be close to the intersections of the major high-
2 ways? J A Yes, obviously,
3 in fact it is kind of a number one prerequisite that they
4 have to be there.

5 Q If you only just have so many intersections,
6 isn't it more appropriate to save the areas near the inter-
7 sections for that kind of development, than to clutter it
8 up with residential development? A That again
9 depends if you are talking about the Goble property, -which
10 is barely visible from the highway. The intervening
11 property is visible, but I have been on the Goble site
12 and you can see a crack of the highway from there. From
13 the highway itself you would never recognize the property.

14 The Beaver Brook property, I would say, is a
15 perfectly nice site. However, I am not sure that the topo
16 would lend itself readily to that kind of a development.
17 I am just saying that without knowing that much about the
18 site.

19 Q Did you not consider, though, that Route #31
20 is going to be an important north-south corridor since
21 there is none say the New Jersey Turnpike, for example,
22 to the east, and the extension of the Pennsylvania Turnpike
23 to the west, isn't that a major north-south artery in this
24 area? A I would say it
25 is rigjit now the major north-south artery and it is also

1 very congested.

2 Q ; Would the Goble site, then being located on
3 that, that would have visibility, would it not, from
4 Route #31? • A What kind of a

5 highway are you talking about, and when?

6 Q I am talking about Route #31?

7 A As it exists?

8 Q As it now exists and it is supposed to be
9 improved to a major four-lane highway?

10 A I don't think that most users of that kind of land
11 would regard that to be an adequate highway for that
12 kind of purpose.

13 Q Assuming that #31 is improved so that it is
14 a limited access highway, then would you not consider
15 the visibility of the Goble site from Route 31 to be an
16 appropriate factor for ROM or industrial users?

17 A I gather that would & apply to all other properties
18 along Route #31.

19 THE COURT: It is good for both, the visibility
20 is just as good for ROM as visibility is good for
21 PUD.

22 THE WITNESS: Right.

23 THE COURT: Good for both?

24 THE WITNESS: Good for shopping centers.

25 THE COURT: Anything else, Mr. Cain?

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1 MR. CAIN: Yes, Your Honor.

2 THE COURT: All right, finish up.

3 Q The concept of filtering down other than
4 for the replacement, I take it then, Mr, Akahasi, other
5 than for the replacement of deteriorated housing, the
6 concept of filtering down requires increased demand for
7 housing and a new housing product being produced. Is that
8 a fair statement? A Yeah, generally
9 it works only when there is a net addition and supply.
10 By the same token, the end of the line is the scrap heap.

11 Q If your population is not increasing, then
12 would the filtering down process work?

13 A Not necessarily, because in the past five years
14 since 1970 to '75, the rate at which households have increased,
15 that is to say, net household formulation, has been vastly
16 greater than the increase in population.

17 Even if you had a statistic for population, let us
18 say you could have increases in households due to changing
19 **life styles.**

20 For example, for one thing, longevity for the
21 elderly, but also smaller households, people living alone,
22 the couples without children.

23 Q Could I interrupt you now. You could say that
24 you could have more units required for the same number of
25 population? A That is exactly

1 what has been happening.

2 Q I understand. So then two factors could
3 happen, you replace your worn-out housing and need new
4 housing to supply the same statistics on population basis?

5 A The statistic in number but different in character.

6 Q Now, Hew Jersey's population, I believe it
7 would be a fair statement, would it not, that New Jersey
8 population has pretty much stabilized, it is not increas-
9 ing at any great rate? A No, as a matter
10 of fact, there is a segment of my report which deals
11 specifically with that question.

12 What it shows, if I can quickly find this thing,
13 may I search for that, Your Honor?

14 THE COURT: Go right ahead.

15 THE WITNESS: This is on page 4.9 of my
16 report.

17 Now, on 4.9 I state that the total number
18 of New Jersey households grew from 2,218,082 in
19 1970 to 2,408,000 in July, 1975. This is based
20 upon the Bureau of the Census statistics.

21 Thus, New Jersey households increased by
22 190,000 or 8.5% during the five and one quarter
23 year period. This was an average increase of
24 36,190 or 1.6% per year.

25 Meanwhile, the New Jersey population grew

1 from 7,171,112 in April, 1970, to 7,316,000 in
2 July, 1975.

3 Thus, population increased by 145,000 or
4 2.0% during the same period.

5 Households increased more than four times
6 as fast as population in New Jersey during that
7 period.

8 In fact, the increase in households is
9 actually, numerically greater than the increase in
10 population. The obvious causal factors are the
11 maturation of the children born in the baby boom
12 of the post World War II ear, the declining size of
13 households, and the tendency for single persons, of
14 all ages, to maintain their own households.

15 Q To stop you there, then, filtering down
16 wouldn't solve problems where people need smaller houses
17 than those which are being used up, which would be the sub-
18 ject of filtering down. Is that correct?

19 A What we are proposing to build are not the large,
20 except for the few single family detached houses, the client
21 proposes to builds mostly housing that is suited to this
22 process.

23 Q That is what I was getting to. Your opinion
24 as a housing expert is that we need more of the smaller
25 housing units, say with one bedroom, like garden apartments,

1 or something lite that, which a smaller household can
2 afford?

3 A Mr. Cain, that
4 is a very simple question. You don't have any and if you
5 add some, you have added a great deal.

6 Q There must be some in New Jersey?

7 A Some place, certainly, if not in Clinton Township.
8 There is almost a total absence of this kind of housing.

9 Q Yes, and that may have something to do with
10 the demand. Is it not possible that you have apartments,
11 for example, in Clinton Town, you have lots of apartments
12 in Flemington, you have apartments in the area?

13 A You have some in Flemington, yes. But the demand
14 has never really been tested in this area, as far as I
15 could see. First of all, one must consider that the area
16 has become much more accessible in recent years due to
17 the completion of 1-287 and the completion of #78. Jobs
18 are coming closer to you, you have a wider variety of
19 people coming in the area.

20 In a sense, what happens when you get population
21 growth, you also gain a diversity of people, because when
22 you have schools you have got to have teachers. When
23 you have hospitals, you have got to have nurses, doctors,
24 and so on. These people make up candidates also for the
25 kind of housing accommodations that we are speaking of.

Q One point I am leading to, Mr. Akahasi, is

1 that this is one of the most densely populated States in
2 the country, isn't it? A Yes, it is.

3 Q Yet, I believe you previously testified that
4 the population shift was really more significant than
5 the increased population, the shift from the inner cores
6 to the outer rings? A I didn't say
7 it 'was more important. I think that that is an observa-
8 tion that I made, that there has been a shift of the
9 population increments,

10 The geographic location of the population increment
11 has shifted from the inner to the outer ring.

12 Q Now, you have spent many,many years in urban
13 renewal, going back to Chicago, and certainly I don't
14 question your expertise in the area of urban renewal.

15 Why can't you keep the people in the towns
16 that are their homes? For example, Plainfield is a very
17 nice community, and do these people just want to leave
18 Plainfield and come out here for some reason? Why are
19 they leaving their homes and what can you do about it as
20 an expert in urban renewal? A Sir, if I have
21 to answer that I suspect that I would be in Washington
22 conferring with Mrs. Harris right now.

23 Q You have been there, haven't you?

24 A Ho, I haven't, but we have been working on problems
25 of this kind for a long time. There are no easy solutions.

1 Anybody who thinks there are, is simply kidding
2 himself. There are all kinds of things that have been tried.
3 As a matter of fact, even the rent supplementation program
4 that they have now was actually considered to quite some
5 degree during the depression.

6 When you ask me, why can't we keep the people there,
7 well, you know, places have a way of deteriorating. We
8 live in a very nice, dynamic, mobile society, in which
9 there are all kinds of movements of people. The housing
10 wears out faster than it ought to,

11 I suspect that if we were to -- I suspect that in
12 old Europe and perhaps not today, that people continue to
13 live where they were forever, almost. But at the same time
14 the society wasn't changing very much.

15 It is my impression that even in Europe today things
16 are changing a great deal. I understand that South -America,
17 for example, is in great turmoil because of the movement of
18 the people from the rural to urban areas, and the great
19 shack villages that are created.

20 There are no easy answers to that question. I can't
21 tell you offhand how to keep those people from leaving the
22 central city. If it is an undesirable place, it has not
23 only to do with the physical condition, but the taxes that
24 are so high, and that sort of thing. At a certain point,
25 of course, you get a kind of ghettoisation of a population,

1 tihich makes it tough for everybody.

2 Q . As a housing economist and an expert in urban
3 renewal, wouldn't it be your approach to make existing
4 cities better rather than go out and create new ones?

5 A Sure. I don't control those things. I am only a
6 consultant. We work with people. I am working with the
7 City of Columbus, Ohio right now, to try to help bring
8 about some new development in an area next to the Capitol.

9 There are some signs that we may be able to proceed
10 with this, because there are a number of little pieces
11 that seem to be fittiig together, like the local banks
12 being interested in doing something there.

13 The answer to the other questions, sure, I would
14 like to be able to do something about it, but I can't live
15 on air either. I work for clients, wherever they happen
16 to be. If I thought that what I was doing for them was
17 unethical, I wouldn't do it, however.

18 THE COURT: I think the point, Mr. Cain,
19 in the meantime we have a free society, number one;
20 I think your proposition is based more on a totali-
21 - tarian society where you can order people to live.

22 You have a market society, a free and mobile
23 society. That is the context that we are trying to
24 approach this problem.

25 I think one of the main points is that you

1 can't wall people in the cities by having dis-
2 criminatory zoning in the townships and other
3 municipalities.

4 I think that is the main point, his main
5 point, that there is a proliferation now of the
6 population, the people moviig out of the city, for
7 all the reasons Mr. Rahenkamp gave, that there is
8 a difficulty to maintain homes, the factor of them
9 being worn out, being ghettoised and obsolete.

10 There is recently a new town outside of
11 London which has shifted people tremendously into a
12 new area. Even Mr. Levitt bought outside of Paris,
13 which was designed to relieve some of the pressure
14 of the old housing.

15 In a free society you can't wall people in,
16 nor exclude them out.

17 I think that is ~~Madison~~ and ~~Mt. Laurel~~, which
18 says you have to make provision for fair share.

19 MR CAIN: I wasn't suggesting that. We cer-
20 tainly aren't keeping them out. I was inquiring of
21 the housing expert about what can be done. It is
22 not just the cities, Your Honor.

23 THE COURT: It is just not Newark. It is
24 what we would have considered a few years ago to be
25 a very desirable community to live in, nice towns,

1 you know, with Somerville going to become a Plain-
2 field, is Clinton then going to become a Somerville?
3 Are we going to be throwing away our cities?

4 We are kind of throwing away a society and
5 talking about recycling our resources.

6 I am concerned about whether we are talking
7 about the right direction toward a lit. Laurel
8 community and Oakwood, some of the other exclusionary
9 communities.

10 I understand that there was a HUD report
11 recently which criticised the cities for not meeting
12 their fair share of moderate income housing. Is
13 that correct, Mr. Akahasi? Are you aware of such
14 a report?

15 **THE WITNESS:** There might be one, I haven't
16 seen it.

17 **Q** One last question, I believe you testified
18 earlier today that the average housing costs for single
19 family houses was \$53,100. Was that a 1977 cost?

20 **A** February, 1977.

21 **Q** Was that nationwide?

22 **A** Nationwide, that is what it is.

23 **Q** That is pretty close, isn't it, to the
24 housing costs of single famil}' housing in Clinton Township,
25 isn't it within a couple of thousand dollars?

1 A I don't know if the housing that is being offered
2 is much higher.

3 It isn't so terribly different, I would say, although
4 the northeastern part of the United States, the west coast,
5 happens to be the highest cost areas, generally speaking.

6 Q Considering that that is national average,
7 and since we are in one of the most populous areas, where
8 the cost of construction is the highest, that is not bad,
9 is it? A Housing sold

10 was — well, I don't know what is bad or what is good.

11 Q It is not out of line with the national
12 figure? A No, it shouldn't

13 be. You are included in the national figures, but you are
14 median for houses, now, we are talking about means and
15 medians. The figure you talked about was the mean,
16 \$53,100. The median is the typical house which was
17 \$47,500.

18 The houses sold in 1976, according to the multiple
19 listing service in Clinton Township, the median price was
20 \$56,100, which is substantially above the 1977 February
21 figure for the nation.

22 THE COURT: I thought your addendum E said
23 it was \$58,000?

24 MR. CAIN: I thought it was a \$3,000
25 difference.

¹¹ ... Sterns - redirect

1 THE WITNESS: Is that Blau, Lasser?

2 THE COURT: Yes.

3 THE WITNESS: Okay. The data is not exactly
4 the same. I excluded all houses situated on five
5 or more acres, I don't know whether they did or not.

6 THE COURT: They had \$58,065 and you have
7 \$56,000?

8 THE WITNESS: Clinton Township, that could
9 be the difference, you know, the exclusion of
10 houses built on five or more acres.

11 Q It could also be related to demand? In other
12 words, that there are plenty of people in the market who
13 purchased the houses at that price?

14 A I gather you do not have an over supply of houses
15 available for sale, I think that they are being marketed.

16 MR. CAIN: I don't have any further questions.

17 THE COURT: It is time for a break. If there
18 are any redirect, it is time for a break.

19 (Whereupon a short recess takes place.)

20 REDIRECT EXAMINATION BY MR. STERNS:

21 Q Mr. Akahasi, I just want to go over very
22 briefly a few of the points that have been just raised on
23 cross-examination.

24 Now, making your study and your report, did
25 you review what has been marked J-3, the Land Use Plan for

1 the Township of Clinton, and did you refer to it?

2 A Yes, I did. That is the one that was approved
3 in November, 1976?

4 Q That's correct.

5 Now, in particular, you have been asked
6 numerous questions about multiple family dwellings. Does
7 that report cite the number of multiple family dwellings
8 in Clinton Township, do you reproduce that part of the
9 report in your own report? A There was
10 reference to it, I'm not sure exactly where it was.

11 Q I direct your attention to page 3 of the
12 Land Use report, J-3(e) and J-3 Land Use Analysis.

13 I ask you what it says about multiple family
14 dwellings? A The last sentence,
15 paragraph 1.

16 Q "There are a few isolated structures classi-
17 fied as multiple family, over four families."

18 A That's correct.

19 Q As a matter of fact, has the Township of
20 Clinton utilized multi-family dwellings to meet any hous-
21 ing needs? j A Not so far,
22 obviously.

23 Q Now, Mr. Akahasi, you will recall that on
24 cross-examination we started out with a rather lengthy —
25 the first question was directed to a rather lengthy excerpt

1 from that J-3 that we just referred to, which I believe
2 can be found in your report. I ask you, do you know what
3 I am referring to, that section from which you quoted
4 the Land Use Plan? A Yes, I recall
5 that. That was the first item in the cross-examination
6 earlier today.

7 I don't know exactly what page it is on?

8 MR. CAIN: Page 17 and 18 of the Land Use
9 Plan.

10 Q Page 17 and 18 of the Land Use Plan, I ask
11 you if that is correctly reproduced in your report?

12 A Yes, it is.

13 Q Now, does that summary of the Land Use Plan
14 which is prepared by Kaplan Associates, does that state-
15 ment have to do with the relevant criteria for considering
16 what kind of region Clinton Township may be a part of?

17 A Yes, it does, I wish I could find it.

18 Q Let's use the original plan, or I could
19 find it for you.

20 THE COURT: Seventeen, paragraph 2.3,
21 Clinton Township, Hunterdon County is influenced
22 by a number of regions. Is that the one you
23 are referring to?

24 MR. STERNS: That's correct.

25 MR. SUTTOH: Your Honor, at the beginning I

1 indicated that I did not feel that Mr. Akahasi
2 had qualifications to fix a region. I want to
3 renew my objection to the testimony.

4 THE COURT: That's right.

5 Q I am asking you, Mr. Akahasi, to say what
6 the defendants' planners say is the appropriate region, and
7 I am asking you? A The regional
8 growth is on page 17.

9 Q Incidentally, it can be found on page 3-16
10 and 3-17 of the report? A Yes.

11 THE COURT: Three what?

12 MR. STERNS: 3-16 and 3-17.

13 THE WIBSESS: This is 3-16, that is footnote
14 ten, which actually begins on the prior page, I
15 believe.

16 Well, at any rate, the following, as I say,
17 is an excerpt from page 17 and 18 of the Township
18 of Clinton Master Plan provision adopted by the
19 Clinton Township Planning Board on November 16,
20 1976.

21 It goes on to say that the regional demo-
22 graphic forces generally play a major role in the
23 development of the community. The degree to which
24 the community is affected by regional pressures is
25 usually determined by its location in a given

1 region and the amount of vacant residential land
2 available,

3 Q Rather than read it all, Mr. Akahasi, since
4 it is in evidence, I ask you whether defendants¹ planner,
5 as evidenced by this excerpt from this document, would
6 consider Clinton Township to be solely part of a region
7 consisting of Hunterdon County?

8 A I don't know how he could, without contradicting
9 himself.

10 Q Wow, Mr. Akahasi --

11 THE COURT: I wish, when you had done your
12 report, Mr. Akahasi, you had single spaced and
13 indented, quoted it, so that it would be decipher-
14 able, referrable to the planner^fs situation.
15 Because you quoted in his exact words his entire
16 paragraph three and I gather his entire paragraph
17 four, as it continues over then with the word
18 "two thousand" on page 13.

19 THE WITNESS: Right.

20 THE COURT: Those are the thoughts of the
21 author, J-3, Kaplan and Associates, I
22 suppose, by Mr. O'Grady.

23 THE WITNESS: Yes.

24 MR. STERNS: Re does cite that as a quote
25 from there, Your Honor, right at the top of the page.

1 . THE COURT: Right, but I rather have it
2 in quotes.

3 MR. STERNS: I understand what you are
4 saying, it is cited as footnote 10.

5 THE COURT: Very good.

6 REDIRECT EXABINATIGN CONTINUED BY MR. STERNS:

7 Q On the subject of the region, Mr. Akahasi,
8 did you, in the course of preparing this study, have
9 reference to the decision which is known as the Oakwood at
10 Madison decision? And did you refer to it?

11 A Yes, I did.

12 Q I would ask you, referring to footnote 9
13 on page 3-15 of your report, what if anything you found
14 that the court in Madison had to say about the region,
15 specifically about a one-county region, may I?

16 A The references to the competition of the applicable
17 region toward the lower part of that footnote, that it
18 will necessarily vary from situation to situation. Probably
19 no hard and fast rules will serve to furnish the answer in
20 every case.

21 Confinement to or within a certain county appears
22 not to be realistic, but restrictions within the boundaries
23 of the State seem practical and advisable. In parentheses,
24 this is not to say that a developing municipality can
25 ignore a demand for housing within its boundaries on the

1 part of people who commute to work in other States, end
2 of parentheses.

3 MR STERNS: I don't want to belabor the
4 point since it is also part of the record, but
5 Mr. Akahasi was working with the Slip opinion,
6 and he cites it as 67 New Jersey at 189, 190,
7 sorry, that is referring to Mt. Laurel.

8 Let me say that he cites this as pages
9 70 and 71 of the Slip opinion. In the final form
10 it is 72 New Jersey at page 537, which deals with
11 a concept of a region and the applicability of
12 the county as one region.

13 Q In the same context, Mr. Akahasi, you have
14 been questioned about reliance on vacant, developable
15 land as the measure for housing needs.

16 Did you find reference to the issue of
17 vacant, developable land in the Township case, did they
18 discuss that as a criteria, housing need? I refer you
19 to 6-1 of your report where, I think that is covered in
20 footnote 23 under your calculation of fair share?

21 A The reference is that this is the most single
22 important criteria emerging from fair share literature,
23 the amount of vacant and developable land as quote "access
24 to land," close quote, which is the basic issue in
25 exclusionary zoning.

1 MR-STERNS: Your Honor, again, Mr. Akahasi
2 was working with the Slip opinion in final form,
3 that appears at 72 New Jersey, page 542.

4 Q Now, Mr. Akahasi, again, the amount of vacant
5 and developable land, was that the consideration that you
6 made in allocating fair share? A Yes, that was
7 the criteria.

8 • Q One last question, Mr Akahasi, you were
9 asked by Mr. Cain, toward the end of the examination,
10 whether or not one large PUD of a size of some 3,500 as
11 proposed by the plaintiff in this case, whether that one
12 large PUD could be accommodated or whether or not it was
13 possible to break that into five or six smaller ones, I
14 know that was the number used. I think you indicated in
15 answer to that question, which is in the record, that you
16 gave certain considerations in answer to it.

17 I would only ask one question with regard to
18 that. Can the least cost housing that is able to be developed
19 and least cost housing, affected by this project? In other
20 words, are there economies of scale, in your opinion?

21 A Of course there are advantages, economies in scale
22 in a large project. It is usually possible to lower the
23 cost per unit in the land development part as well as the
24 construction.

25 MR. STERNS: I have no further questions.

1 **THE COURT:** Mr. Sutton, would you like to
2 be allowed to ask any questions?

3 **MR. SUTTON:** I have no further questions.

4 **THE COURT:** Mr. Cain, anything on this?

5 **MR. CAIN:** Just one, Your Honor.

6 **RE-CROSS-EXAMINATION BY MR. CAIN:**

7 **Q** As I understand it, Mr. Akahasi, the Beaver
8 J
9 Brook project phased out over ten years, 3,500 units, over
10 ten years, would be at a rate of approximately 300 to 350
11 units per year. Is that correct?

12 **A** Yes.

13 **Q** Now, assuming you had a 1,000 unit PUD phased
14 over three years, which again would be approximately 300
15 units per year, realistically, what kind of economy of scale
16 are you going to have in that you are proposing approxi-
17 mately the same number of units per year?

18 **THE COURT:** Dividing this up to one side,
19 the west side, is that right, the golf course side,
20 that is the only place you can have it as of right
21 now?

22 **MR. CAIN:** Based on the assumption, but he
23 says there is an economy of scale on the 3,500 unit
24 PUD, but this one is projected over a ten year period
25 I am talking about the same 1,000 unit PUD over
26 three years, what realistic economy of scale are you

1 going to get over a three year period?

2 . . . **THE WITNESS:** I think if you are talking
3 about the 1,000 unit project, you are going to
4 achieve certain kinds of scale. On the other hand,
5 if you are talking about 500, that may be a different
6 picture.

7 **MR. CAIN:** I have no other questions.

8 **MR. SIERNIS:** That's all.

9 **THE COURT:** Let me just ask you this,
10 Mr. Akahasi, you are the land economist, this is a
11 megalopolis, you have used that term?

12 **THE WITNESS:** I have heard of that.

13 **THE COURT:** Is there such a thing between
14 Washington, D. C, from around I think it is slightly
15 north of Richmond, extending all the way to Boston,
16 having a certain depth off the coast into the
17 interior?

18 **THE WITNESS:** There are linkages, there are
19 very definite linkages, certainly.

20 In fact, when you are in Wilmington, Delaware,
21 people in Wilmington, Delaware, are very offended
22 because people in Philadelphia held them that they
23 are one of their satellite cities.. Certainly the
24 area between Washington — if it is not a megalopolis,
25 it is certainly getting there.

1 Between Philadelphia and New York there is
2 a great deal of linkage, people going back and forth
3 to work. There are many people shopping in New
4 York and Philadelphia.

5 The cities are filling up so rapidly, communi-
6 ties filling up in between, if you were to go to
7 Trenton and take a train to New York, say six o'clock
8 in the evening, you'd be getting on, people from
9 Philadelphia would be getting off and there would be
10 other people going with you into New York.

11 It is also true that certainly between
12 Baltimore and Washington, D.C., there is a great
13 linkage,

14 THE COUPVT: Let me ask you this, then, is
15 this theory that we are talking about here part
16 of that corridor?

17 THE WITNESS: Yes, I would say that it would
18 have to be considered part of that corridor.

19 Certainly, the western part of Hunterdon
20 County does have linkage with Bucks County, Pennsyl-
21 vania, as well as to Trenton, which is definitely
22 in the corridor.

23 The eastern part, let's say on the whole, the
24 County is, if you have to attach it to any place,
25 you have to attach it to the east, because that is

1 where the growth pressure is coming from.

2 - **THE COURT:** If you look at the report and
3 see Allentown-Bethlehem to the west, and linking
4 Trenton and Philadelphia to the south, and see a
5 linkage to the east, using the same inner core? I
6 would say the first is to Somerset County, then you
7 seem to go, as the ring expands, you are doing the
8 rings in reverse, if I understand your report?

9 **THE WITNESS:** That's right. There is a
10 succession pattern taking place. It is not only
11 with population, but is also taking place with
12 businesses and business establishments, which tend
13 to follow in the suburbanization process and follows
14 population rather than to lead it.

15 You think that the jobs got there first, but
16 that isn't necessarily first.

17 **THE COURT:** You told me originally that some
18 of the industries are escaping outside and people
19 are following it?

20 **THE WITNESS:** They are bringing people, but
21 they don't go to places that are totally without
22 population, because they have to have, especially
23 when making the move of a nature of let's say an
24 A. T. 6 T., you count on the largest proportion of
25 their high level executive and professional persone,

1 in making -the move. Quite obviously, if they don't
2 live there, they move there. On the other hand,
3 they can't count on all of their clerical people
4 coming, so they have to have a base population from
5 which to draw the personnel.

6 I did an analysis for the Bell Telephone
7 Laboratories in their move, from moving their
8 electronic switching division from Holmdel in ~~1-in~~
9 mouth County, to Page County, Illinois, which is
10 just west of Chicago.

11 They went from research to operational with
12 this system. That is exactly what happened, they
13 lost, I would say, they lost a lot of people, most
14 of them were clerical and a few professionals.

15 **THE COURT:** What I am trying to get to, I
16 think Mr. Cain brought up the point with regard to
17 the cities, are we aiding the cities by allowing
18 more of the proliferation of the people and the
19 industry to escape from the cities, as they run away
20 either to the south belt or out into the suburbs,
21 are we discriminating in an attempt to rebuild, what
22 stage are we in?

23 **THE WITNESS:** I suspect that Mayor Beam would
24 give you an answer, he would say you are really
25 wrecking us by permitting industry to move out. But

1 once having made the decision to accept the industry,
2 we also have to accept some people, I think that is
3 really what is happening.

4 All in all, I don't know that one can make a
5 categorical statement that it is something that
6 could be stemmed one way or the other. Because what
7 are the other avenues that they might take if they
8 didn't come to New Jersey? Would they decide to go
9 to Houston, Texas, some have.

10 THE COURT: All right. The problems are
11 multiple though, in any event?

12 THE WITNESS: Yes, of course.

13 THE COURT: All right, thank you.

14 MR. STERNS, you are ready at this point to
15 proceed with Dr. Hordon. I don't know how you would
16 want -- shall we start, go through his qualifications,
17 or, I suppose, we will start this tomorrow morning.

18 MR. SUTTON: I was wondering if we could have
19 the order of the witnesses for the rest of the week?

20 MR. STERNS: I am assuming Dr. Hordon would
21 take tomorrow. Then I think we will stick, as I
22 understand, Your Honor, we only have Thursday morning?

23 THE COURT: Tomorrow morning, then I have to
24 go down to an insane asylum. Assuming that we escape,
25 we should be going on Thursday morning. So we have

1 only a half a day tomorrow and half a day Thursday.

2 MR. STERNS: I think Dr. Hordon would take
3 the rest of the week. Our next witness will be
4 Mr. Taylor.

5 THE COURT: Can we use the expert report
6 technique, do you have a report?

7 MR. STERNS: This is the one case where I
8 think we probably have to go into some more detail.
9 I think this is a case in which there is more contro-
10 versy, I don't know, but I think with the other
11 reports, I think we can do exactly as we have done,
12 offer the traffic reports, things of that nature.
13 But this one, which gets to the question of avail-
14 ability of water, I think would take a little more
15 time to develop, because I think it is the main
16 point of the case.

17 THE COURT: Hydrology, yes.

18 MR. SUTTGH: Another point, I have been
19 cross-examining first. Now, Mr. Cain took the
20 depositions of Dr. Hordon, would it be satisfactory
21 if he cross-examined first?

22 THE COURT: You can divide it, I don't mind
23 doing, it that way, we are just making a record.

24 MR. STERNS: Your Honor, to save time, could
25 I ask that the items for identification with regard

1 to Mr. Hordon's professional articles that he has
2 written be marked for identification now, so we will
3 be ready in the morning?

4 THE COURT: You are going to start with
5 hydroliques., tomorrow morning, are you going to start
6 with hydroliques, if you are going to start with
7 hydrolics and that is going to be the most contro-
8 versial, do you think you are going to get through
9 it?

10 MR. STERNS: I thought we could get through
11 it by Thursday. I think we could finish direct
12 elimination tomorrow morning.

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CERTIFICATE

I, CHARLES R. SENDERS, Certified Short-hand Reporter and Notary Public of New Jersey, do hereby certify that the foregoing is a true and accurate transcript of the proceedings as taken stenographically by me at the time, place, and on the date hereinbefore set forth.

(JLjd) [Signature]
CHARLES R. "SENDERS, C.S.R.
Official Court Reporter

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