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Piscataway 27-Nov-1984

Exhibit Summary at Piscataway Public Meeting

"Fiscal Impact of Society Hill

Development, Piscataway Twp., NJ "

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FISCAL IMPACT OF
SOCIETY HILL DEVELOPMENT
PISCATAWAY TOWNSHIP, NEW JERSEY

(EXHIBIT SUMMARY)

PISCATAWAY TOWNSHIP PUBLIC MEETING

Principal Investigator

Robert W. Burchell, Ph.D.

Research Sponsor

Hovnanian Companies
of New Jersey, Inc.

Date

27 November 1984

Research Contact

Donald R. Daines
Project Manager

EXHIBIT 1

SOCIETY HILL - PISCATAWAY, NEW JERSEY
DEVELOPMENT COMPOSITION

Housing Type	Square Footage	Bedrooms/Baths		Number	Sales Price	Total Added Equalized Property Valuation
Townhouse	1,236	2	2-1/2	64	\$80,000	\$ 5,120,000
Townhouse	1,516	2	2-1/2	130	\$85,000	\$11,050,000
Townhouse	1,571	3	2-1/2	64	\$90,000	\$ 5,760,000
Garden	1,140	2	2	178	\$75,000	\$13,350,000
Garden	900	2	1	55	\$42,000	\$ 2,310,000
Garden	900	3	1	55	\$29,000	\$ 1,595,000
total	-			546	-	\$39,185,000

Source: K. Hovnanian Companies of New Jersey, Inc.

Letter from Donald R. Daines, Project Manager, 3 August 1984

EXHIBIT 2

SCHOOL-AGE CHILDREN BY HOUSING TYPE
DEMOGRAPHIC MULTIPLIER - SOURCES

Housing Type	<u>1981 Annual¹ Housing Survey</u> (Northeastern U.S.)	<u>1980 Public² Use Sample</u> (New Jersey)	<u>1979 Facility³ Master Plan Guidebook</u> (New Jersey)	<u>1984 Field⁴ Survey</u> (West Windsor- Plainsboro, N.J.)	Simple Average
<u>School-Age Children</u>					
Townhouse 2 B.R.	.15	.20	.19	.12	.17
Townhouse 3 B.R.	.75	.71	.58	.30	.59
Garden 2 B.R.	.20	.33	.30	.17	.25
Garden 3 B.R.	.79	.80	-	.24	.61

Source: (1) U.S. Department of Commerce, Bureau of Census, 1981. Annual Housing Survey, Summary Tape
 (2) U.S. Department of Commerce, Bureau of Census, 1980 Public Use Sample (New Jersey), Tapes
 (3) How to Prepare a Facility Master Plan, Robert F. Strauss & Associates, Morristown, New Jersey, 1979
 (4) West Windsor-Plainsboro School Children Survey, Fall 1983

EXHIBIT 3

HOUSEHOLD SIZE BY HOUSING TYPE
DEMOGRAPHIC MULTIPLIER SOURCES

Housing Type	<u>1981 Annual¹ Housing Survey</u> (Northeast)	<u>1980 Public² Use Sample</u> (New Jersey)	Simple Average
Townhouse 2 B.R.	2.04	2.09	2.07
Townhouse 3 B.R.	3.23	3.06	3.15
Garden 2 B.R.	2.10	2.45	2.28
Garden 3 B.R.	3.28	3.50	3.39

Source(s): (1) U.S. Department of Commerce, Bureau of Census,
1981 Annual Housing Survey, Summary Tape

(2) U.S. Department of Commerce, Bureau of Census.
1980 Public Use Sample (New Jersey), Tapes

EXHIBIT 4

SOCIETY HILL DEVELOPMENT
NUMBER OF FUTURE RESIDENTS AND SCHOOL-AGE CHILDREN

Housing Type	Bedrooms	Number	School-Age Children Multiplier	School-Age Children/ Unit	Household Size Multiplier	Persons/ Unit
Townhouse	2	64	.17	11	2.07	132
Townhouse	2	130	.17	22	2.07	269
Townhouse	3	64	.59	38	3.15	202
Subtotal		258	-	71	-	603
Garden	2	178	.25	45	2.28	406
Garden	2	55	.25	14	2.28	125
Garden	3	55	.61	34	3.39	186
Subtotal		288	-	93	...	717
Total		546		164		1,320

EXHIBIT 5

SOCIETY HILL DEVELOPMENT
FUTURE MUNICIPAL AND SCHOOL DISTRICT PROPERTY COSTS

HOUSING TYPE	DEMOGRAPHIC IMPACT			PROPERTY TAX COST		ADJUSTED PROPERTY TAX COST		PUBLIC COSTS GENERATED	
	(B.R.s/ Baths)	Number	Persons	Pupils	Per Person Municipal ¹	Per Pupil School ²	Per Person ³	Per Pupil ^{1*}	Municipal
Townhouse (2/ 2-1/2)	64	132	11	\$90	\$3,680	\$76	\$3,312	\$ 10,032	\$ 36,432
Townhouse (2/ 2-1/2)	130	269	22	\$90	\$3,680	\$76	\$3,312	\$ 20,444	\$ 72,864
Townhouse (3/ 2-1/2)	64	202	38	\$90	\$3,680	\$76	\$3,312	\$ 15,352	\$125,856
Garden (2/ 2)	178	406	45	\$90	\$3,680	\$76	\$3,312	\$ 30,856	\$149,040
Garden (2/ 1)	55	125	14	\$90	\$3,680	\$76	\$3,312	\$ 9,500	\$ 46,368
Garden (3/ 1)	55	186	34	\$90	\$3,680	\$76	\$3,312	\$ 14,136	\$112,608
Total	546	1,320	164	-	-	-	-	\$100,320	\$543,168

Notes:

*Based on $\frac{\$3,955,663}{44,000}$ $\left(\frac{\text{Amount to be raised by taxes for municipal purposes - 1984}}{\text{Estimated 1984 population}} \right)$

^Based on $\frac{\$21,902,680}{5,950}$ $\left(\frac{\text{Amount to be raised by taxes for school purposes - 1984}}{\text{Estimated 1984 school load}} \right)$

-Based on residential share of total municipal costs by ratio of load parcels $\frac{f\ 8,665}{1^{10,270} = .843}$

^Based on estimated average usable slack capacity In elementary and secondary schools (10 percent)

EXHIBIT 6

SOCIETY HILL DEVELOPMENT
 FUTURE MUNICIPAL AND SCHOOL DISTRICT PROPERTY TAX REVENUES

HOUSING TYPE	Number	Selling Price	Assessment ¹ Level	Assessed Valuation	Total Assessed Valuation	TAX ² RATE		PUBLIC REVENUES GENERATED	
						Municipal	School	Municipal	School
Townhouse (2/ 2-1/2)	64	\$80,000	.54	\$43,200	\$ 2,764,800	.0049	.0261	\$ 13,548	\$ 72,161
Townhouse (2/ 2-1/2)	130	\$85,000	.54	\$45,900	\$ 5,967,000	.0049	.0261	\$ 29,238	\$155,738
Townhouse (3/ 2-1/2)	64	\$90,000	.54	\$48,600	\$ 3,110,400	.0049	.0261	\$ 15,241	\$ 81,181
Garden (2/ 2)	178	\$75,000	.54	\$40,500	\$ 7,209,000	.0049	.0261	\$ 35,324	\$188,155
Garden (2/ 1)	55	\$42,000	.54	\$22,680	\$ 1,247,400	.0049	.0261	\$ 6,112	\$ 32,557
Garden (3/ 1)	55	\$29,000	.54	\$15,660	\$ 861,300	.0049	.0261	\$ 4,220	\$ 22,480
Total	546	-	-	-	\$21,159,900	-	-	\$103,683	\$552,272

¹1984 local equalization ratio = .5722 — assessment of new townhouse units would be at approximately .54 of sales price

²1984 total local tax rate = \$4.17 per \$100 assessed valuation (\$.49 municipal, \$1.07 county, \$2.61 school)

EXHIBIT 7

SOCIETY HILL DEVELOPMENT - NET FISCAL IMPACT

HOUSING TYPE	PUBLIC COSTS (PROPERTY TAX)			PUBLIC REVENUES (PROPERTY TAX)			NET FISCAL IMPACT (COSTS VS. REVENUES)		
	Municipal	School	Total	Municipal	School	Total	Municipal	School	Total
(B.R.s/ Baths)									
Townhouse (2/ 2-1/2)	\$ 10,032	\$ 36,432	\$ 46,464	\$ 13,548	\$ 72,161	\$ 85,709	(+)\$3,516	(+)\$35,729	(+)\$ 39,245
Townhouse (2/ 2-1/2)	\$ 20,444	\$ 72,864	\$ 93,308	\$ 29,238	\$155,738	\$184,976	(+)\$8,794	(+)\$82,874	(+)\$ 91,668
Townhouse (3/ 2-1/2)	\$ 15,352	\$125,856	\$141,208	\$ 15,241	\$ 81,181	\$ 96,422	(-)\$ 111	(-)\$44,675	(-)\$ 44,786
Garden (2/ 2)	\$ 30,856	\$149,040	\$179,896	\$ 35,324	\$188,155	\$223,479	(+)\$4,468	(+)\$39,115	(+)\$ 43,583
Garden (2/ 1)	\$ 9,500	\$ 46,368	\$ 55,868	\$ 6,112	\$ 32,557	\$ 38,669	<-)\$3,388	<-)\$13,811	(-)\$ 17,199
Garden (3/ 1)	\$ 14,136	\$112,608	\$126,744	\$ 4,220	\$ 22,480	\$ 26,700	(-)\$9,916	(-)\$90,128	(-)\$100,044
Total	\$100,320	\$543,168	\$643,488	\$103,683	\$552,272	\$655,955	(+)\$3,363	(+)\$ 9,104	(+)\$ 12,467

EXHIBIT A-10

SOCIETY HILL DEVELOPMENT: COMPARISON OF THREE APPROACHES

METHOD OF SCHOOL-AGE CHILDREN PROJECTED	PUBLIC COSTS	(School Children)	PUBLIC REVENUES	NET FISCAL IMPACT
Original Presentation (Blend of all Census and one 1983 Field Survey)	\$643,488	(164)	\$655,955	+ \$ 12,467
Using Solely 1980-1981 Census Multipliers	\$722,976	(188)	\$655,955	- \$ 67,021
Using Solely 1983-1984 Field Surveys	\$544,128	(134)	\$655,955	+ \$111,827

SOURCES OF INFORMATION
USED IN THE PREPARATION OF THE REPORT

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