ML Cranbury ~ 1980

Cranbury — Plaintiff Garfield and Co. Expert report. re: fair share, present and future affordable housing needs.

pgs = 3

ML 000837E

To: Urban league Team
From: John Grele
RE: Crandbury plaintiff Garfield and Co. ~~expxx~~ expert report

This report is seperate from the report on zoning which this plaintiff will use. That document was done by Coppola and Associates. This report only examines region, fair share, and indigenous need. It basically utilizes the Warren Township report analysis but contains some significant departures which result in different and higher overall numbers. The findings are summeri in the beginning of the report and are as follows:

1) prospective fair share will be measured by a commutershed
2) Crandbury's future need is 372
3) Crandbury's present need is 282
4) both total 655 by 1990

The report begins by listing the different experts , their reports and their regions. The regions are catagorized into two types. Mallach is cited as one type and Kasler (Norwood Tp.) is cited as the commutershed report; it contains a list of reasons it should be used over the Mallach-type of analysis. The following factors justify using the commutershed:

1) other studies use it
2) it is the most appropriate and truest representation of marketplace conditions
3) the other regions are "statistical" and they therefore don't represen actual or equitable conditions
4) it is the recommendation of the APA

The problem arises because there are contridicting origins and basis of prospecti prospective and present need. The former measures future jobs and residences while the latter measures the surplus of need and a municipality's ability to accomidate that surplus.

The report then outlines the Warren report and its discussion of the problem. It states the two regions and quotes from the draft of the report which is slightly different from the final version, on the reason for its prospective and present fair share regions.

Crandbury's region is divided into a "fair share" region and a present need region. The fair share region is a commutershed region based on a 45 minute drive time radius which stops right before Newark. Teh present need regi is a 9 county region.

The regional need is then analyzed. Teh report begins by listing four of the possible ways to get a measure of prospective need that are in the Warren memo. For Crandbury the analysis is as follows: project the future households (HHs) based on the growth from 1960 to 1980 and project the job formation correlated with the 1980 job-to-HH ratios. Then average both figures to get an estimated HH figure (85,983) for the region in 1990. Add 4% for vacancies adn losses and get <u>89,422</u>. There are therefore two parts to this analysis.

a) using the 1960-1980 figures on HH growth
b) in the new jobs from the 1972-1980 basis using the jobs-to HH ratio. These numbers are lower than Lehrman's analysis. For

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           job growth she has 71,269 while this report has 70,130. This may be because she deducts for job growth in the nongrowth areas. The new job estimate is 73,856 while Lehrman has 80,003. The report then divides by the HH-to-job ratio but does not use the same ratio as the Warren report because that was based on 1970 and x 1980 figures fro employment whach are not compatable because the 1970 figures included workers in non-profit organizations (hospitals). Also the trend in N.J. is for slight job growth but

b) (continued) This is shown by the trend in the figures of 1972 (1.047) to 1980 (1.007). This report concludes that since the figures are approaching one the ration is one (1) and therefore the estimate of new HHs stands at 73,856 for the region.

The report's allocation model analyzes what percent of the 89,442 new HHs should be Crandbury's share. Teh allocation model should be primarily employment oriented because of the emphasis in the opinion on employment and housing and kak the use of a commutershed for the fair share region. Vacant lan is not used becaused of the outdated data on the subject. Two basic factors are used in this analysis:

1) the percent of exosting employment (present and future). This shows reflects the a existing and the projected land development policies of the town.
2) The employment growth (Existing and future). This will apply a regional perspective to the local trends.

The analysis is extensive and a copy appears on the following page.

For present need the report measures present indigenous need and a reallocation factor. Indigenous need is a function of the town's delapidated and overcrowded housing. For the former 1980 Census figures are adequate and the number is 11. For the latter, surrogate factors have to be used and these are lack of central heating and inadequate plumbing. The figures for these are 9 and 10 respectively. /the Report also uses a "financial factor", those who pay more than 28% of their income for shelter in rented units only (because those in pxs purchased units choose to spend that much and they have significant resale value). That number is 21 but must be dicounted by 50% because of the overlap between this figure and exosting indigenous need.

REallocation is by the Mallach methos with a different model and a 9 county region. This is a 2 phase approach with a percent of the substandard housing in the region as a basis. This reallocates those countys with more than the region's median but does it according to the allocation method used above for prospective fair share. The second px phase is to reallocate Middlesex county's indigenous need to the respective towns.

The first phase operates as follows: Uisng a 9 county x region (the present need region), The precent of indigenous need in the region is 6.4 Only 3 countys exceed this number and the excess is 21,476 units. Then the report goes on to reallocate those untis according to the modified Warren Tp. formula outlined aboue. So the 21,476 figure is multiplied by 1.055% ka (the prospective need formula) to get 227 units.

The second phase opperates under the some model although with a differen figure as the multiplier.

Excess is as follows:
New Brunswick = 489
Perth Amboy = 529
Helmetta = 5

Add these (1,023) and multiply by 1.445% to get 15 units. I have no idea where the 1.445% figure came from.

The indigenous need breaks down as follows:

Overcrowded and dilaped housing in Crandbury	30
The financial need figure	10
present need reallocation (region)	227
present need reallocation (county)	15
	282 units

By contrast, Lehrman akd had 372 using the Warren memo analysis.

ment policies and the latter applies a regional perspective to local trends. In Cranbury, the model produces the following household demand picture:

Local Employment as a Percentage of Region

	Cranbury	Region	Percent of Region
1980 employment	3,273	665,345	0.492
1990 "	4,499	729,201	0.617
			1.109
		Average:	0.555

Local Employment Growth as a Percentage of Region's

	1972	1982	Difference	Percent
Cranbury	2,774	3,273	957	
Region	585,215	665,209	79,994	1.196

	1982	1990	Difference	Percent
Cranbury	3,273	4,499	1,226	
Region	665,209	729,201	63,992	1.916
			Average:	1.556%

Averaging the two figures gives us:

$$\frac{1.556 + .555}{2} = 1.055 \text{ percent}$$

When the 1.055 is applied to the future household need of 89,422, we find Cranbury's allocation is 943 households. Using the statewide average of 39.4 percent low and moderate income, Cranbury's future households should be 372 low and moderate income.[8]

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[8]Low income is defined as 50 percent or less of the region's median family income and moderate income, 50 to 80 percent.