CN - Orgo Forms + (ideellas Greenhouse, Inc Two of Colts Neck

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Stenographic transcript of Decision: A given
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provide for least cert housing + a variety of
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5	SUPERIOR COURT OF NEW JERSEY LAW DIVISION - MONMOUTH COUNTY
2	Docket No. L-3299-78 P.W.
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4	CROO PARMS AND GREENHOUSES INC. X
5	orgo parms and greenhouses, inc., x et al.,
6	Plaintiffs, STENOGRAPHIC TRANSCRIPT
7	-vs- Decision
8	TOWNSHIP OF COLTS NECK,
9	Defendant.
10	
11	Freehold, N.J. July 3, 1979
12	
13	BEFORE:
14	HONORABLE MERRITT LANE, JR., A.J.S.C.
15	APPEARANCES:
16	MESSRS. FRIZELL, POZYCKI & WILEY appearing on behalf of the plaintiffs
17	by David J. Frizell, Esq.
18	MESSRS. STOUT, O'HAGAN & O'HAGAN appearing on behalf of defendant
19	Township of Colts Neck by Robert W. O'Hagan, Esq.
20	MESSRS. GAGLIANO, TUCCI & KENNEDY
21	appearing on behalf of Monmouth Consolidated Water Co.
22	by James A. Kennedy, Esq.
23	Vincent G. De Bonis Official Court Reporter
24	Courthouse Freehold, N.J. 07728
25	

of prerogative writs challenging the zoning ordinance of the defendant Township both on Mt. Laurel grounds and as being arbitrary, unreasonable and capricious. Plaintiff also seeks specific relief with respect to its property arguing that it is ideally suited both physically and environmentally for plaintiff's proposed high density planned unit development.

of Monmouth County Route 537 approximately one quarter mile east of New Jersey Route 34. The Farm, known as the Orgo Farm, has dwellings, out buildings and greenhouses and is known as Lot 20, Block 48 and Lot 1, Block 48-01 on the tax map and is owned by plaintiff Orgo Farms and Greenhouses, Inc. The property consists of approximately 190 acres between Route 537 and the Route 18 Freeway. There is over 1800 feet existing frontage on Route 537. There is another 25 acre parcel south of Route 18.

One of the issues is the standing of plaintiffs. While other jurisdictions have taken a somewhat limited view of a given plaintiff's standing to challenge soning restrictions, it is

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the law of this State that taxpavers and citizens of a municipality possess a broad right to seek review of local legislative action affecting the overall integrity of the zoning plan of a municipality without demonstrating any particular or special damage. Booth v. Board of Adjustment, Rockaway Twp., 50 N.J. 302, 305 (1967); Kozesnick v. Montgomery Township, 24 N.J. 154, 177-178 (1957). Plaintiff Brunetti is a land developer and holds an option to purchase the Orgo Farms property. Plaintiff Orgo Farms, Inc. is a substantial land owner and taxpayer in defendant township. Under these conditions it is perfectly obvious that plaintiffs have standing to attack the zoning ordinance.

It is fundamental that judicial proceedings in lieu of prerogative writs shall not be available so long as there exists an administrative review to an administrative agency which has not been exhausted, except where it is manifest that the interests of justice require otherwise. See e.g. Matawan Borough v. Monmouth County Tax Board, 51 N.J. 291, 296-297 (1968); Kotlarich v. Ramsey, 51 N.J. Super. 520, 539 (App. Div. 1958). The principle,

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however, is not absolute. Where a determination depends wholely on a Question of law or where the administrative remedy would be futile, exhaustion will not be required. Kotlarich v. Ramsey, Supra, 51 N.J. Super. at 539. The rule has been more recently summarised by the Supreme Court in Brunetti v. Borough of New Milford, 63 N.J. 576 (1975). There the Court said:

"This Court has recognized that the exhaustion of remedies requirement is a rule of practice designed to allow administrative bodies to perform their statutory functions in an orderly manner without preliminary interference from the courts." Citations omitted. "Therefore, while it is neither a jurisdictional nor an absolute requirement, there is nonetheless a strong presumption favoring the requirement of exhaustion of remedies." Citations omitted.

"Admittedly, the exhaustion requirement will be waived where 'the interest of justice so requires. " Citations omitted. "This has been held to mean that exhaustion of remedies will not be required where administrative review will be futile, where there is a need for prompt decision in the public interest, where the issues

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do not involve administrative expertise or discretion and only a question of law is involved and where irreparable harm will otherwise result from denial of immediate judicial relief."

(583-589).

In the present case, quite apart from challenging the validity of defendant Township's zoning ordinance plaintiffs also seek specific relief for their property. Plaintiffs have instituted this suit without ever submitting any application of any description to any local administrative or quasi judicial body. There was some informal discussion with the Planning Board. Such informal discussion does not comply with the requirement for administrative review. As a result of plaintiffs' failure to avail themselves in any way with the traditional administrative mechanisms relating to land use. the Township has been forced to spend considerable sums of money and precious time to defend a lawsuit, a substantial portion of which involves a request for specific relief for a planned unit development with, as yet, many undefined parameters. In short, the municipality has been compelled to deal with, in large part, an unknown

quantity.

appropriately, dismissing the case for failure even to invoke potential administrative remedies will not save the Township the monies already spent in defense of this action. Additionally, the primary issues raised as to the validity of the Zoning Ordinance, both in Mt. Laurel terms and in terms of the ordinance's reasonableness, are basically legal in nature.

Stripped of the typically vast array of facts, varying interpretations and charged emotions attendant to litigation of this nature, the basic legal questions posed can be succinctly stated:

(a) Is the municipality a developing municipality within the meaning of So. Burl. Cty.

v. Mt. Laurel Tp., 67 N.J. 151 (1975), Cert. Den.

423 U.S. 808 (1978).

and, if so,

(b) Is the municipality's soning ordinance exclusionary?

Taking the second question first, it is clear that the Zoning Ordinance of the Township of Colt's Neck is exclusionary. Indeed, the

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contrary position is not really urged by defendant. The A-1 zone comprises virtually the entire zoned area of the Township which has not been developed for residential or commercial uses. The zone permits single family dwellings of 2000 square feet in floor area on minimum lot sizes of 88,000 square feet with 300 feet frontage, 300 feet width and 200 feet depth. Clustering in the A-1 zone is permitted which reduces the lot size to 55,000 square feet but which actually reduces the permitted density by way of a provision that the maximum number of residential lots for each cluster development is found by multiplying the gross acreage of the proposed development by .45. The resulting density is equal to approximately 2.2 acres per lot. The A-1 Zone comprises 14,040 acres, 93.3 per cent of the land in the township after subtracting the area occupied by the Earle Naval Ammunition Depot.

428.4 agree or 2.8 per cent of the zoned land in the township lies within the A-2 zone permitting single family units on minimum lots 221.1 acres, or 1.47 of 40,000 square feet. per cent of the zoned land, has been zoned for A-3, single family units with minimum lots of

30,000 square feet. 235.7 acres, or 1.8 per cent of the zoned land, is zoned for business. 121.4, or .7 per cent of the zoned land, is zoned for light industry.

family housing of any kind, no townhouses, no patio houses, no zero lot line houses, no mobile homes. Predictably this arrangement has resulted in high prices and the concomitant emergence of the township as home to a disproportionately large segment of the County's economic elite. Whereas 23.9 per cent of the families in Monmouth County make between \$15,000 and \$25,000 per year, 33.7 per cent of the families in Colts Neck fall within this category. In the \$25,000 to \$50,000 range the percentages are 6.6 per cent for the County and 21 per cent for Colts Neck.

There are also notable differences in general housing characteristics. Of the total of 1550 year round housing units in Colts Meck, only 14.2 per cent were renter occupied, whereas the county figure is in excess of 30 per cent.

Additionally, 95.4 per cent of units in Colts Neck were one family single family units against

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71.8 per cent for the county. Without going on with what one party has labeled a barrage of statistics, it is overwhelmingly clear that the Egning Ordinance of the Township of Colts Neck is by design and effect patently exclusionary. It fails to allow for an appropriate variety and choice of housing for all categories of people who may desire to live there as required by Mt. Laurel.

The reason given for the 2 acre zoning is to protect agriculture. That is sophistry. If the town truly wanted to protect agriculture it would some a portion of the land for no less than 5 acres. I am unimpressed by the argument that farms cannot exist side by side with housing. That is exactly what is now going on in Colts Neck as an examination of the map showing development will disclose. Nor am I impressed by the "protect the reservoir" argument. Of course it has to be protected but that is no justification to bar all but 2 acre costly houses There are parts of the township that are not in the watershed. There are ways to develop a densely populated site that will give protection against pollution. I do not want any misunder

standing. I am totally in favor of farming.

I think it essential. I am also totally in

favor of reasonable zoning that is not exclusionary

and that will permit innovation in housing methods.

The major issue presented in this litigation is whether the township is a developing township as defined in Mt. Laurel and reiterated in Oakwood at Madison, Inc. v. Tp. of Madison, 72 N.J. 481 (1977).

As noted recently by the law Division in Glenview Development Co. v. Franklin Township, 184 N.J. Super. 583, 565 (Law Div. 1978).

apply to all New Jersey municipalities. They do not apply to developed municipalities, Pascack

Ass'n Limited v. Washington Tp., 74 N.J. 470

(1977), or to rural municipalities which are not developing municipalities, Mt. Laurel, 67 N.J.

at 160." (565) The parties agree that

Justice Hall in Mt. Laurel articulated the

following criteria to be employed in determining whether a given municipality is in fact a developing municipality. Developing municipalities

- (1) Have a sizeable land area
- (2) Lie outside the central cities and

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older built-up suburbs

- (3) Have substantially shed their rural characteristics
- (4) Have undergone great population increases since World War II, or are now in the process of doing so,
 - (5) Are not completely developed
- (6) Are in the path of inevitable future residential, commercial and industrial demand and growth.

(67 N.J. at 160)

Justice Hall also indicated that the decision did not concern "central cities or older built-up suburbs or areas still rural and likely to continue to be for some time yet."

Id. What remains is the task of applying these criteria to the facts.

Monmouth County near the County's geographic center. It is 31.60 square miles in area, or 20,224 acres. Even allowing for those portions of the township taken up by NAD Earle, the Swimming River Reservoir, schools, county and municipal property, et cetera, it cannot be denied that this township has a sizeable land area.

Within ten miles of the township are the urban and suburban centers of Red Bank,

Long Branch, Freehold and Asbury Park; within twenty miles New Brunswick, Perth Amboy and Woodbridge and within forty miles, New York City,

Hudson County, Newark, Frenton and Elizabeth.

The township is traversed by several roadways, including Route 18, State Highway 34, County Highways 537 and 520 and County Route 50. Major transportation routes within reasonable proximity include the Garden State Parkway, U. S. Route 9, State Highway 33 and State Highway 79.

In 1950 the population of Colts Neck
was 1.814 persons. In 1960 the population was
2,177 persons. At that time the county had a
population of 334,401 persons. In 1970 the
population had increased 167.3 per cent to
5,819 persons, while Monmouth County had increased
by only 38.1 per cent to 461,849 persons.

Population projections for the years

1985 and 2000 vary. One is a 1985 population of

10,800 people and a 2000 population of 1,500

people. This projection may be too high. I do

not accept Mr. Queale's future population

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projections. It is difficult to arrive at a figure because all the data is infected with the exclusionary existing zoning. All that need be said is that there are tremendous pressures that will lead to a substantial increase in population.

Defendant argues substantially as follows:

"Colts Nack's population increases are consistent with its position in the county and the historic regional growth pattern outward from urban cores and along major highways. Every town in the county has had population increases. When measured as percentage increases, those starting at low population levels might show large percentage increases, e.g. a community with a population of 1,000 increasing to 2,000 has a 100 per cent increase while gaining only 1,000 people. From 1960 to 1970 Colts Weck had an increase of over 3,600 people representing a 107 ber cent increase over its 1960 population of 2,177. Throughout the county, 13 towns recorded greater population increases between 1960 and 1970. These 13 towns represented 58 per cent of the county's land area but recorded 76 per cent of its population increase. Ten of the 13 towns

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are either north or east of the Parkway in the county's traditional development corridor. In addition, Freehold Township reflected the outward expansion of the county seat while Manalapan and Marlboro in the northwest reflected development extending south from the greater New York Metropolitan Area via Routes 9 and 18.

"In general, the township's percentage increase in population appears significant while the increase in absolute numbers is less impressive compared to the low level of housing development and the uppulation growth in other towns where highways, jobs and utility services are convenient. The 1960's revealed the most rapid population growth in the township's history, yet this occurred during a period when an average of only 87 homes per year were being built. The population growth was more a reflection of the larger homes having greater population espacity than of rapid construction. Since 1970 the average has declined to 54 units per year. In addition, the number of jobs is approximately 0.5 per cent of the county's total number of jobs with approximately one third these jobs being

part time. In contrast, the township represents

1.3 per cent of the county's land area but only
1.3 per cent of its population in 1970 and has
averaged only 1.3 per cent of all dwelling units
authorized in the county since 1960. To the
extent jobs might be considered an attraction for
additional housing and people, Colts Neck is not
a major employment center nor is it projected to
be one. To the extent housing development might
be an indicator of continuing population growth,
the township has reflected an overall decline in
the number of units authorized each year since

I cannot conclude that defendant

Township has not experienced a rapid population
growth. Based upon the 1973 population
estimate by the Monmouth County Planning Board,
Colts Neck had a population as of January 1, 1973
of 7,590 people, a 243 per cent increase from
the 1960 figure. The 1985 and 2000 population

Nestimates about which I have spoken, even if
they may be a bit high, demonstrate this growth
will continue. When considered within the
perspective of the grossly exclusionary zoning
in effect, such growth can indeed be deemed
explosive.

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With respect to whether the township is located outside the central cities and older built-up suburbs, the parties agree that it is.

With respect to whether the township

has substantially shed its rural characteristics,

plaintiffs argue substantially,

"Colts Nack Township has substantially shed its rural characteristics. The Township's Master Plan documents that in 1960 71 per cent or 14,359.04 acres were occupied by woods, crops, open fields, water and the Monmouth Consolidated Water Company's watershed area which contains 1000 acres. By 1969 land uses in these categories had decreased to 51.5 per cent which is a loss in these categories of 3.943.68 acres. In contrast, at the time of the Mt. Laurel opinion Justice Hall noted that 65 per cent of that township was still vacant land or in agricultural This decrease amounting to 28 per cent of Those land categories within nine years must be considered substantial. The Township's own Master Plan, 1976 amendment, concludes that 'The obvious trend is in the gain in residential uses and a loss in the agriculture and previous undeveloped areas.' The population density of

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the township, based on the Monmouth County Planning Board's population estimate for Colts Mack Township of 7,590 persons in 31.6 square miles, is 240 persons per square mile."

On the other hand, defendant reiterates its arguments that population increases have in actual numbers been relatively small and that the building of dwelling units is on a decline. Its position is something like this:

"The township is a major contributor to the county's agricultural base. While it is about 5.7 per cent of the county's land area, it has 9.6 per cent of its qualified farmland and almost 18 per cent of the horse farms. Monmouth County has an estimated 10,000 homes, the highest horse population in the state. Monsouth County also has the highest number of horse farms with 50. Colts Neck has almost one-sixth the horse farms in Monmouth County. The township's location between Freehold Raceway and Monmouth Park make it locationally ideal for horse farms, but its history of agriculture and the prevailing farmland characteristic encounage is continuation

"Other characteristics of the township support the continuation of the township's rural

characteristics:

"The township provides no municipal trash or garbage collection. It is available by individual contracts with three firms working in the area.

"Once off the through roads of Routes
34 and 537, the road system is basically a
rambling, two-lane rural system. The new
subdivisions have curvilinear, interior local
streets.

"The township has no municipal police force. Police protection is provided by the State Police.

"There is no sewer service.

"There is no public water or surface water supply distribution in the township.

"There are only two volunteer fire companies and one rescue squad.

"The township has three elementary schools but no high school.

"There is no library.

"The township road department is small and provides patchwork maintenance plus drainage ditch maintenance but undertakes no major construction jobs.

"Major portions of the township remain in the qualified farmland designation (9,437 acres) which when combined with the NAD Earle property and Swimming River Reservoir, both of which are undeveloped and create a visual impression of undeveloped property, repassent about three-quarters of the township area (40 per cent farmland; 20 per cent NAD Earle and 5 per cent reservoir.)

The township has not somed substantial portions for commercial or industrial development. The only industrial development recognizes the existing Laird Distillery and a dump and substantian for the power line in the midst of the NAD Earle complex. The commercial designation represents existing development patterns along Route 34. The combined industrial/commercial land use pattern is less than one per cent of the township (one half of one per cent of the total township and about three-quarters of one per cent of that portion of the township outside the MAD Earle and reservoir properties).

"Based on the township's continuing agricultural base, its limited population, the stable but low level of housing construction, the

of industrial jobs, a limited number of local commercial jobs, the absence of planning and zoning for industrial and commercial expansion, an absence of major road improvements and substantial agricultural acreage and horse breeding activities indicate the township has not substantially shed its rural characteristics. In fact, it appears to have stabilized and been strengthened with the growth of horse breeding in the state.

persuasive. As plaintiff points out, the rural features presently existing in Colts

Neck are merely the result of exclusionary zoning. I take it from the testimony of Mr. Orgo
that there are very few dirt farms. There
are for the most part what I believe he
termed to be either tax dodges or rich man's
farms. It is clear that the predominant
development trend in Colts Neck is horse
farms and residential.

Population density of approximately 240 persons per square mile is well above the figure employed by the Regional Plan Association of 100 persons per square mile to determine whether a given nunticipality may be termed rural. While I might agree that

Colts Neck is less suburban than Eatontown or Red Bank, for example, it is not rural. The growth in and continuing trend toward residential development belies defendant's arguments. The lack of local services, what Judge D'Annunzio termed "an adequate capital infrastructure", Glenview Development, Supra, 164 N.J. Super. at 569, is again merely a result of exclusionary zoning practice. Colts Neck is not Franklin Township. It has substantially shed its rural characteristics.

with respect to whether the township is completely developed, major public, quasi public and institutional holdings exist in the township. The NAD Earle property of 5,150 acres, the reservoir of 1,010 acres, the County Golf Course of 180 acres, dedicated open spaces of 525 acres and school properties, municipal buildings and similar uses of approximately 150 acres make up about 37 per cent of the township. Streets repasent another 4 per cent. So that when the 13 per cent of residential development is added to the previously indicated developed characteristics about 54 per cent of the township is removed from immediate consideration. While over 90 per cent of the remaining 46 per cent of

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the land is qualified farmland, the fact remains that it is open, developable land. While I agree that preservation of agricultural open space is desirable, it is also true that in this day and age diverse housing opportunities must be afforded. As plaintiff points out, a rationally conceived zone scheme providing for open space, providing for varying sized lots, providing for clustered and high density development can effectively serve both desired ends and is certainly prebrable to the profligate waste of land zoned 2 acres residential. I am not adverse to large residential lots. I do feel, however, that large lots should result not from the mandate of zoning but from a particular property owner's private acquisition of several parcels for his own homestead.

Finally, it is abundantly clear that Colts Neck is in the path of inevitable future development. The population projections indicate this, the recent and continuing construction of Route 18 indicates this, the increasing unavailability of land along the coast indicates this, as does Colts Neck's location along Route 537, the major artery

connecting the central eastern municipalities
in Monmouth County with the interior. To hold
that a municipality as pivotally located as
Colts Neck is not, in this County, in the
path of future growth would be absurd, and you can
just look at the number of approved developments
that are now pending.

In summary, Colts Neck is a developing municipality whose soming ordinance is patently exclusionary. As such it cifends both of the Mt. Laurel criteria. The Zoning Ordinance is declared void.

ordinance can accommodate the Tri-State and County
Planning Board recommendation of gross density of
.5 units per acre. That recommendation does
not mean that every acre thus should contain
only .5 units. It means that throughout the
area the gross density be .5 units per acre.
Presently it is .12 units per acre.

The existing soning is not designed to maintain farm lands. The arguments used to support the ordinance are fallacious. The only result of the ordinance is to maintain a predominantly wealthy, single family community.

Perhaps if I were wealthy and lived in Colts Neck I would feel the same way the defendant fathers apparently do but if I did I would have failed in my obligation as a citizen of this State.

I might say that I agree with Mr.

Halsey that municipalities are not proper

boundaries for zoning. Zoning should be a

function of county government. If it were,

the decision in this case might well be different.

That change, however, must come from the

Legislature.

property is ideally suited for development at high density, they should be afforded specific relief. Such an extraordinary remedy was granted by the Supreme Court in Oakwood at Madison, Supra, 72 N.J. at 549-551 where the Court set forth the reasons for the action that led the Court to provide for specific relief. In a footnote, however, the Court warned that:

"This determination is not to be taken as a precedent for an automatic right to a permit on the part of any builder or plaintiff who is successful in having a zoning ordinance

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declared unconstitutional. Such relief will ordinarily be rare and will generally rest in the discretion of the Court, to be exercised in light of all attendant circumstances."

(72 N.J. at 551-552, note 50.)

In Oakwood at Madison, the corporate plaintiff was a land developer who had submitted a housing project of defined and known dimensions to the Township prior to the Supreme Courte grant of relief. In this connection plaintiff was able to guarantee that at least 20 per cent of his development would be devoted to least cost housing. In the present case although plaintiff Brunetti does have a PUD plan in mind, it was never formally submitted to any municipal agency. The plan is not well defined and therehas been no presentation of what per cent, if any, will be devoted to least cost housing. In fact, the testimony indicates that the various housing whits in plaintiff's proposal will probably be priced in line with the current cost of dwellings in the township. Under these circumstances specific relief is wholly inappropriate.

I have allowed proofs with respect to phintiff's property solely for the purpose of

demonstrating that higher density development is feasible in Colts Neck even though maybe not at the density talked of by plaintiff. While Colts Neck is precariously perched environmentally, the proofs show that most of Monmouth County shares this condition. I am confident that the town fathers in adopting the new ordinance will consult with knowledgable planning and environmental specialists in the attempt to achieve a viable, rational zone plan accommodating both the region's need for least cost housing and a variety of housing types and for a stable, healthy environment.

It is not up to the Court in the first instance to tell the municipality where the various zones will be placed. Defendant will be given 90 days to adopt a reasonable ordinance that will provide for least cost housing and a variety of housing types to include:

- 1. Areas in which houses will be built on small lots.
- 2. Areas in which townhouses, garden apartments, patio housing and zero lot line housing may be placed.
 - 3. Areas in which a mix of small houses,

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