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Employment and Housing Opportunities in Bedminster Township

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Note: Expert Report

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REPORT NO. 6

EMPLOYMENT AND HOUSING
OPPORTUNITIES IN BEDMINSTER
TOWNSHIP

PREPARED BY
RSWA, INC.
SEPTEMBER 7, 1978

1. EMPLOYMENT OPPORTUNITIES HAVE INCREASED DRAMATICALLY IN BEDMINSTER DURING THE LAST THREE YEARS BUT THERE HAS BEEN A DECLINE IN HOUSING CONSTRUCTION.

Location of the A. T. & T. facility in Bedminster and the subsequent increase in the number of jobs within the township from 838 in 1975 to 3,535 in 1977 created a strong demand for additional housing. Although most of the semi-skilled and clerical workers who were hired by A. T. & T. already resided within commuting distance of the facility, many of the remaining 2,000 managerial positions were filled by people who came from outside the area. However, only six of these people have found housing within Bedminster.

Building permits issued in Bedminster since 1970 have ranged from a high of 17 in 1970 to none in 1975, to eleven in 1977.

The accompanying chart illustrates the gap between new housing constructions in Bedminster and the increased demand for this housing due to the influx of new jobs. The calculation of demand takes into account that according to the 1977 Statistical Abstract, in 18% of U.S. households both husband and wife are working. The chart compares the gap between supply and demand in Bedminster to the situation in Somerset County where there was an average growth of 2,284 jobs annually and an average of 1220 building permits issued annually between 1970 and 1976. In 1977, 1315 building permits were issued and 7,375 new jobs were added.

2. THE PERCENTAGE INCREASE IN THE AVERAGE SALE PRICE OF BOTH NEW AND EXISTING HOUSING WITHIN BEDMINSTER TOWNSHIP FROM 1970 TO 1975 WAS GREATER THAN THE PERCENTAGE INCREASE IN PER CAPITA INCOME OR IN THE RATE OF INFLATION.

The average sale price of new and existing housing rose from \$55,903 in 1970 to \$89,603 in 1975, an increase of 60%. During the same period the average township per capita income increased from \$7,915 in 1970 to \$10,860, a 37% increase. An average annual inflation rate of over 6% resulted in a 32% reduction in the purchasing power of the dollar.

3. IN 1978, THE EQUALIZED TAX RATE IN BEDMINSTER IS THE LOWEST IN SOMERSET COUNTY AND IT DECREASED FROM 1.48 in 1974 TO 1.27 IN 1978.

It is likely that the ability of Bedminster Township to reduce the tax rate between 1974 and 1978 reflects the construction of the A. T. & T. facility during those years and its subsequent role as a large taxpayer within the community.

COVERED EMPLOYMENT

	<u>SOMERSET COUNTY</u>	<u>BEDMINSTER TOWNSHIP</u>
1975	63,130	838
1976	63,154	802
1977	70,529	3597

Source: Department of Labor and Industry
Division of Planning and Research
State of New Jersey

BUILDING PERMITS ISSUED

	<u>SOMERSET COUNTY</u>	<u>BEDMINSTER TOWNSHIP</u>
1970	924	17
1971	867	7
1972	1888	13
1973	1395	7
1974	727	2
1975	813	0
1976	1833	5
1977	1315	11

Source: Somerset County Planning Department
Department of Labor and Industry
Division of Planning and Research
State of New Jersey

(Phone Conversations)

EQUALIZED TAX RATES - Somerset County

	<u>1974</u>	<u>1978</u>
Bedminster	1.48	1.27
Bernards	2.98	2.42
Bernardsville	2.43	2.48
Bound Brook	3.22	3.09
Branchburg	2.11	2.20
Bridgewater	2.34	2.77
Far Hills	1.29	1.54
Franklin	3.25	2.89
Green Brook	2.92	2.95
Hillsborough	2.85	2.69
Manville	2.97	2.86
Millstone	2.43	2.23
Montgomery	2.57	2.67
North Plainfield	3.11	3.34
Peapack Gladstone	1.91	2.39
Raritan	2.77	3.39
Rocky Hill	2.81	2.78
Somerville	3.68	3.57
South Bound Brook	3.08	2.85
Warren	2.92	2.69
Watchung	2.31	2.30

Source: Division of Local Government Services, Department of Community Affairs, State of New Jersey (1974)

Office of Tax Assessor, Somerset County (1978 - phone conversation)

PERCENTAGE INCREASE FROM 1970 to 1975 for BEDMINSTER TOWNSHIP. RSWA, Inc

SOURCE: HOUSING; Class 2 residential sales, Bedmins:
Office of the Tax Assessor

INCOME; Per Capita income for New Jersey
U.S. Dept. of Commerce, Bureau of

INFLATION; National Income Number
N.J. Dept. of Taxation
Annual Report for 1977

inflation 32

income 37

housing

0 5 10 15 20 25 30 35 40

COUNTY

DEMAND → 17,934*

TOWNSHIP

1,736

2%

SUPPLY → 21%

COMPARATIVE
HOUSING
AVAILABILITY - 1977

*CLASS 2 RESIDENTIAL UNITS