

COMMUNITY IMPACT STATEMENT

**VENUE AT SUMMERS CORNER
ACTIVE ADULT RESIDENTIAL DEVELOPMENT**

IN

**LITTLE EGG HARBOR TOWNSHIP
OCEAN COUNTY, NEW JERSEY**

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OCEAN COUNTY, NEW JERSEY

Richard B. Reading Associates
Princeton, New Jersey

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SUMMARY OF FINDINGS
PROPOSED AGE-RESTRICTED DEVELOPMENT

- The development proposed by US Home DBA Lennar contemplates the construction of an age-restricted residential development on a tract of land located along the Center Street in the southern portion of Little Egg Harbor Township. The concept plans for the residential development anticipate the construction and occupancy of an age restricted (55+) community containing a total of 415 age-restricted housing units comprised of 199 single-family detached housing units and 216 single-family attached (triplex) housing units.
- The current development plan anticipates that the age-restricted development will include a total of 415 age-restricted housing units comprised of 199 single-family detached and 216 single family-attached (triplex) housing units along with a clubhouse with amenities (pool, pickelball, dog run), open space, storm water management and buffer areas. The 199 single-family attached housing units include four different models with anticipated sales prices ranging from \$480,000 to \$610,000 and averaging \$546,382. The single-family attached housing units include two different models with anticipated sales prices ranging from \$400,000 to \$410,000 and averaging \$406,667. Overall, the 415 new active adult homes have an average sales price of \$473,663.
- Based upon the unit distributions in the developer's plans and the current pricing schedule, the proposed residential development would be expected to represent an aggregate (completed) value of \$196,570,000. At Little Egg Harbor Township's current assessment ratio of 64.35 percent, the completed residential development would have an estimated assessed value of \$126,492,800.
- The completed age-restricted residential development, with 612 adult residents, would have allocated tax-supported municipal costs of \$543,460 had it been occupied and assessed during 2024. Annual municipal tax revenues from the proposed development would have amounted to \$1,148,550 at the current municipal tax rate of \$0.908 per \$100 and would have resulted in a municipal revenue surplus amounting to \$605,090.
- Due to the age-restricted nature of the homes in the adult community, the new homes would not result in any additional public school children or school district costs for the Little Egg Harbor School District or the Pinelands Regional School District. Additional school district tax revenues amounting to \$833,590 would, however, be generated for the Little Egg Harbor Township School District along with additional school tax revenues of \$1,008,150 for the Pinelands Regional School District. Absent any added school children or school district costs, these revenues would represent a surplus of \$833,590 for the Little Egg Harbor School District and a surplus of \$1,008,150 for the Pinelands Regional School District.
- Overall, the proposed age-restricted residential development would generate annual tax revenues totaling \$3,656,910 that would fully offset the allocated tax-supported costs of \$904,540 to yield an annual revenue surplus of \$2,752,370. This revenue surplus is a combination of a revenue surplus of \$605,090 for municipal operations, a revenue surplus of \$833,590 for the local school district, a surplus of \$1,008,150 for regional school district and a surplus of \$305,540 for Ocean County operations.

INTRODUCTION

The ensuing Community Impact Statement has been undertaken at the request of US Home, LLC DBA Lennar in order to provide an assessment of the economic, demographic and fiscal implications of a proposed active adult residential development located in Little Egg Harbor Township in Ocean County. The initial section of this evaluation presents an historical profile of the Township's residential and non-residential growth trends and documents the manner in which the Township generates and distributes municipal revenues and school district revenues. The findings of the fiscal profile are reviewed from an historical as well as a present perspective in the context of the economic base, market trends and the fiscal infrastructure which exists in Little Egg Harbor Township.

The second phase of the research undertaken involves a statistical analysis of the anticipated fiscal and economic effects that would be expected to result from the construction and occupancy of a proposed residential development containing 415 single-family detached and attached active - adult (age-restricted) housing units. The data and evaluations contained on the following pages describe the nature and magnitude of the development plan, considers the available infrastructure of the community and calculates the need for services by the development.

The research and analysis undertaken herein is intended to provide information whereby changes in services and facilities necessitated by the proposed development can be accomplished smoothly, with foresight, and without interruption of existing operations. Of particular concern in the following evaluation is detailed information pertaining to:

- a) the economic and demographic composition of Little Egg Harbor Township, including historic and current levels of housing, population, employment and school enrollments;
- b) the residential and non-residential ratable bases of Little Egg Harbor Township, the changes occurring in each during recent years and the effective tax rate of the Township;
- c) the nature, scope and magnitude of the proposed development; and
- d) the fiscal impact of the development upon municipal, school districts and county operations, to include changes in tax revenues and budgetary appropriations, as well as the impact upon the existing tax structure.

ECONOMIC BASE AND FISCAL PROFILE

An examination of the current and historic characteristics of Little Egg Harbor Township and the manner by which the Township derives its revenues and manages its appropriations is a precursor to a fiscal impact analysis of the proposed residential development project. This initial examination will furnish a useful insight into the nature of local fiscal operations and a benchmark by which changes may be measured and anticipated.

General Characteristics

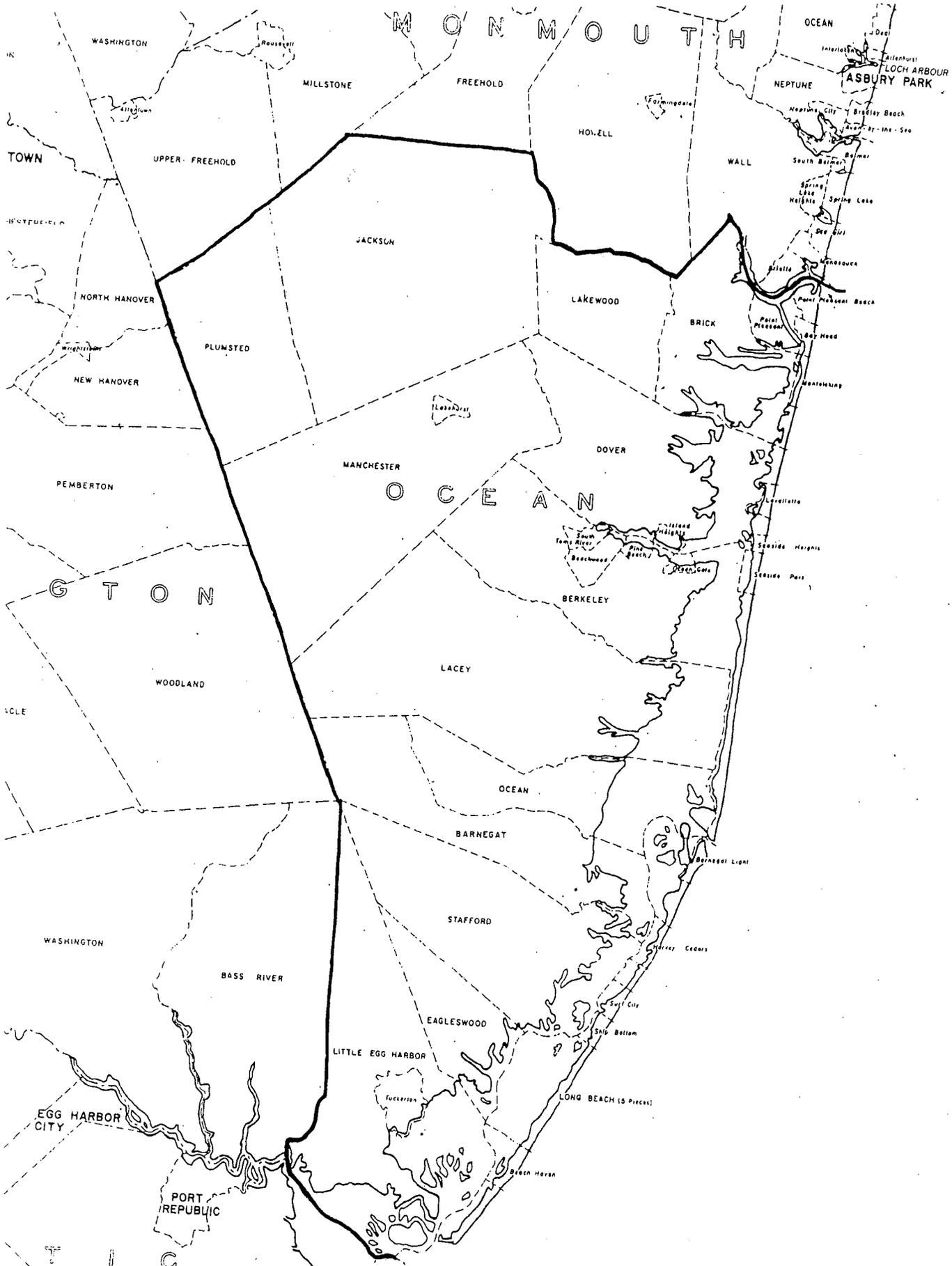
Little Egg Harbor Township is an established community located in the southern portion of Ocean County along the County's boundary with Burlington County. The Township, as illustrated on Figure 1, is bounded by Stafford Township, Eagleswood Township and the Borough of Tuckerton in Ocean County and by Bass River Township in Burlington County. The Township of Little Egg Harbor, itself, includes a land area of 47.37 square miles, or approximately 7.53 percent of Ocean County's total land area of 628.78 square miles.

Population - Little Egg Harbor Township contained a total population of 2,972 persons at the time of the 1970 Census. During the 1970's, Little Egg Harbor's population increased by 5,511 persons (185.4 percent) and resulted in a population of 8,483 persons at the time of the 1980 Census. A population increase was recorded during the 1980's with a gain of 4,850 persons (57.2 percent) to yield a total population of 13,333 persons as of the 1990 Census.

Between 1990 and 2000, the population of Little Egg Harbor increased by 2,612 persons (19.6 percent), to yield a total population of 15,945 persons in 2000. In 2000, the population of Little Egg Harbor Township represented 3.12 percent of Ocean County's total population of 510,916 persons at that time. Between the 2000 and 2010 Census of Population, Little Egg Harbor experienced a population increase of 4,120 persons, resulting in the Township's reported population of 20,065 persons at the time of the 2010 Census of Population. According to the most recent Census of Population, the Township's population base has increased by 3.6 percent (719 persons)

FIGURE 1

LOCATION MAP



during the ten-year period intervening the 2010 and 2020 Census, resulting in a total population of 20,784 persons in Little Egg Harbor Township at the time of the 2020 Census of Population (April 1, 2020). The mid-year 2022 population estimates prepared by the Bureau of the Census indicates a population increase of 566 persons since the 2020 Census, with 21,350 residents in Little Egg Harbor Township of mid-year 2022. These population trends are summarized below:

Population Trends
Little Egg Harbor Township

	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2022</u>
Population	2,972	8,483	13,333	15,945	20,065	20,784	21,350
Change	-----	5,511	4,850	2,612	4,120	719	566
Percent Change	-----	185.4	57.2	19.6	25.8	3.6	2.7

Between 1970 and 2010, Little Egg Harbor Township accounted for an increasing share of the County’s total population. According to the decennial Census information, the Township’s share of the County’s total population had increased to 3.48 percent in 2010 but declined to 3.26 percent in 2020. This information is tabulated below, and the 2000, 2010 and 2020 Census population base of Little Egg Harbor Township is profiled in Table 1.

Population Trends
Little Egg Harbor Township as a Share of Ocean County

	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2022</u>
Little Egg Harbor	2,972	8,483	13,333	15,945	20,065	20,784	21,350
Ocean Co.	208,470	346,038	433,203	510,916	576,567	637,229	655,735
Township/ Co. - %	1.43	2.45	3.08	3.12	3.48	3.26	3.26

The Township’s population growth since 2000 has revealed smaller-sized households with a decrease in the average household size from 2.54 persons per household in 2000 to 2.46 persons per household in 2010 and to 2.35 persons per household at the time of the 2020 Census of Population,

TABLE 1

LITTLE EGG HARBOR TOWNSHIP, OCEAN COUNTY

**SUMMARY OF CENSUS POPULATION
AND HOUSING CHARACTERISTICS
2000, 2010 and 2020 Census**

	Census <u>2000</u>	Census <u>2010</u>	Census <u>2020</u>
Total Population	15,945	20,065	20,784
In Households	15,775	19,814	20,487
In Group Quarters	170	251	297
Total Housing Units	7,931	10,324	10,812
Occupied households	6,179	8,060	8,715
Percent Occupied	77.9	78.1	80.6
Persons Per Household	2.54	2.46	2.35
Vacant Housing Units	1,752	2,264	2,097

Housing Trends - Consistent with population growth declines reported since 1980, Little Egg Harbor Township has experienced an ongoing expansion of its housing inventory. During the 1980's, the Township issued building permits authorizing the construction of 2,479 new housing units within the Township. An additional 1,027 residential dwellings were authorized during the 1990's. Between 2000 and 2009, housing construction in Little Egg Harbor increased from the rates observed during the 1990's (103 units/year). As indicated in Table 2, during the period from January 2000 through December 2009, Little Egg Harbor Township issued building permits authorizing the construction of 2,570 residential units, or an average of 257 units/year. Continued residential development was observed between 2010 and 2019 when the Township authorized the 865 new housing units. During the past 3 years (2020 through 2022), Little Egg Harbor Township issued building permits authorizing the construction of 105 new housing units. The Township's building permit trends are further detailed in Table 2.

By the time of the 2000 Census, the Township's housing base contained 7,931 housing units, of which 6,179 housing units (77.9 percent) were occupied. Between 2000 and 2010, a substantially increased level of residential construction is reflected in the Township's housing base, with an increase in the total number of housing units from 7,931 in 2000 to 10,324 housing units in 2020, representing an increase of 30.4 percent. The number of occupied households increase by 16.7 percent, from 6,719 households in 2000 to 8,060 households in 2010.

The reports of the 2020 Census of Population disclose that Little Egg Harbor's total population had increased to 20,784 residents with 20,487 persons occupying 8,715 of the Township's 10,812 total housing units at the time of the 2020 Census. Between the 2010 and 2020 Census, the number of housing units in the Township increased by 4.79 percent (488 housing units) while the number of occupied households increased by 8.13 percent (655 households). The 2000, 2010 and 2020 housing base of Little Egg Harbor Township is further detailed in Table 1.

TABLE 2
LITTLE EGG HARBOR TOWNSHIP, OCEAN COUNTY
RESIDENTIAL CONSTRUCTION
AUTHORIZED BY BUILDING PERMITS

Year	Residential		Residential		Residential		Residential		
	Units	Year	Units	Year	Units	Year	Units	Year	
1980	102	1990	75	2000	327	2010	72	2020	25
1981	123	1991	43	2001	480	2011	76	2021	32
1982	136	1992	46	2002	451	2012	57	2022	48
1983	113	1993	57	2003	379	2013	103		
1984	163	1994	91	2004	317	2014	149		
1985	220	1995	88	2005	259	2015	120		
1986	633	1996	121	2006	143	2016	70		
1987	510	1997	215	2007	106	2017	144		
1988	350	1998	125	2008	53	2018	40		
1989	129	1999	166	2009	55	2019	34		
Sub-Total	2,479	Sub-Total	1,027	Sub-Total	2,570	Sub-Total	865	Sub-Total	105
1980-89	2,479	1990-99	1,027	2000-09	2,570	2010-19	865	2020-22	105

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, Residential Building Permits, Annual Summaries 1980-2022.

School System - Little Egg Harbor maintains its own public schools which provide educational services for the Township's students in grades K through 6 and is a member, along with Bass River Township, Eagleswood Township and Tuckerton Borough, in the Pinelands Regional School District which provides educational services for students from the member communities in grades 7 through 12. The number of Little Egg Harbor Township students "on roll" in the local school district decreased from 1,624 students in the 2019-20 school year to 1,581 students in the 2022-23 school year. Enrollment of Little Egg Harbor students in the local (K-6) school district has continued to decrease, with 1,561 students enrolled in the 2024-25 school year. The enrollment declines, despite continued growth in the number of occupied households, is consistent with the decreases in the average household size observed in the Township, with a current (2020 Census) average household size of 2.35 persons.

Similar enrollment trends are observed in the Pinelands Regional School District which had 1,549 students "on roll" during the 2019-20 school year with an increase to 1,607 students enrolled in the 2021-23 school year. The number of students enrolled in the Lakeland Regional School District has decreased since the 2021-22 school year, with 1,578 students reported to be enrolled in the 2023-24 school year and 1,537 students in the 2024-25 school year. These enrollment trends are summarized in Table 3.

Commercial Development - According to reports of the New Jersey Department of Labor, during 2004 there were 1,657 persons covered by New Jersey Unemployment Compensation (covered jobs) employed within Little Egg Harbor Township, equal to 1.35 percent of Ocean County's total employment base of 121,584 jobs at that time. Between 2004 and 2009, the Township's employment base decreased by 8 jobs to a total of 1,649 jobs in 2009. During this five-year period (2004-09), employment in Little Egg Harbor Township increased by an average of 1.25 jobs each year. The Township experienced increases in its employment base through 2016 when 2,178 jobs were reported in Little Egg Harbor Township.

Between 2017 and 2022, employment in Little Egg Harbor Township has ranged from 1,986 employees (2020) to 2,164 employees (2019), with 2,096 private sector jobs reported during 2022, the most recent year for which municipal employment data is available. This information is further detailed in Table 4.

TABLE 3**LITTLE HARBOR TOWNSHIP SCHOOL DISTRICT
PUBLIC SCHOOL ENROLLMENT (K-6)**

<u>Year</u>	<u>Students On Roll</u>	<u>Total Operating Budget</u>	<u>Cost/ Student</u>	<u>Tax Supported Cost</u>	<u>Cost/ Student</u>
2019-20	1,624	\$21,895,936	\$13,842	\$12,815,892	\$ 7,892
2020-21	1,617	\$25,317,718	\$16,276	\$13,844,047	\$ 8,562
2021-22	1,648	\$25,423,494	\$15,427	\$14,139,428	\$ 8,580
2022-23	1,705	\$25,320,490	\$14,850	\$14,907,855	\$ 8,744
2023-24	1,581	\$28,972,987	\$18,326	\$14,995,284	\$ 9,485
2024-25	1,561	\$27,580,900	\$17,668	\$16,034,283	\$10,272

**PINELANDS REGIONAL SCHOOL DISTRICT
PUBLIC SCHOOL ENROLLMENT (7-12)**

<u>Year</u>	<u>Students On Roll</u>	<u>Total Operating Budget</u>	<u>Cost/ Student</u>	<u>Tax Supported Cost</u>	<u>Cost/ Student</u>
2019-20	1,549	\$30,775,775	\$19,868	\$20,198,929	\$13,040
2020-21	1,564	\$33,171,329	\$21,209	\$20,920,550	\$13,376
2021-22	1,607	\$34,169,706	\$21,263	\$21,338,961	\$13,288
2022-23	1,587	\$34,386,950	\$21,668	\$21,765,740	\$13,715
2023-24	1,578	\$37,964,982	\$24,059	\$22,201,055	\$14,069
2024-25	1,537	\$37,031,436	\$24,093	\$22,905,622	\$14,903

Source: New Jersey Department of Education. The net cost per pupil is the general fund budget per pupil, as implemented under the CEIFA, and is equal to the sum of general fund tax levy, budgeted general fund balance, miscellaneous revenue and most forms of state formula aid. The per pupil cost calculated for the reflect total operating expenditures and tax supported school district costs.

TABLE 4

**PRIVATE SECTOR EMPLOYMENT
LITTLE EGG HARBOR TOWNSHIP, OCEAN COUNTY
(Employment Covered by New Jersey Unemployment Compensation)**

<u>Year</u>	<u>Little Egg Harbor Township</u>	<u>Ocean County</u>	<u>Township/ County (%)</u>
2004	1,657	121,584	1.35
2005	1,689	124,145	1.36
2006	1,767	125,580	1.41
2007	1,750	126,187	1.39
2008	1,734	125,671	1.38
2009	1,649	122,640	1.34
2010	1,568	122,782	1.28
2011	1,624	124,027	1.31
2012	1,615	125,892	1.28
2013	1,775	130,829	1.36
2014	1,826	132,882	1.37
2015	1,857	137,815	1.35
2016	2,178	139,129	1.57
2017	2,152	143,298	1.50
2018	2,079	145,693	1.43
2019	2,164	148,644	1.46
2020	1,986	138,323	1.44
2021	2,134	146,514	1.46
2022	2,096	155,478	1.35

Source: New Jersey Department of Labor, Division of Planning and Research, New Jersey Covered Employment Trends. Employment is as of September 30th.

RATABLE BASE AND TAX RATE

The economic and demographic characteristics of Little Egg Harbor Township are reflected in the Township's ratable base, and changes in the Township's household base and commercial development since 2021 may be examined in terms of the per parcel and total valuations (assessments) of the taxable properties in the Township.

Ratable Base

Little Egg Harbor Township has not undertaken a recent property revaluation in an effort to maintain assessments that approximate current market values. The ratio of assessed value to market value is expressed in the assessment ratio which amounted to 93.72 percent in 2021 and is reported to be 64.35 percent for 2024. The assessment trends of properties in Little Egg Harbor Township are further detailed in Table 5.

During 2021, the total equalized property valuation in Little Egg Harbor Township amounted to \$2,491.2 million. The total equalized assessments increased by 49.1 percent between 2021 and 2024, with an equalized assessed valuation of \$3,713.7 million reported for 2024. During the period from 2021 to 2024, when the Township's equalized valuation increased by 49.1 percent, the cost of municipal operations reflected in the local use budget increased from \$24,451,462 to \$28,673,918--- an increase of \$4,222,456, or 17.3 percent. Between 2021 and 2024, the growth of municipal costs (17.3 percent) was well below the increase in the equalized taxable base (49.1 percent).

Between 2021 and 2024, non-residential (commercial and industrial) properties decreased as a share of the Township's total ratables from 7.39 percent to 7.23 percent, a relative decrease of 2.2 percent. Residential (Class 2) properties on the other hand, represented 90.11 percent of the Township's 2024 ratable base. Apartments (Class 4c) currently represent 0.12 percent of the Township's ratable base. Class 2 residential properties continue to represent the overwhelming portion of the Township's total ratables and now account for 90.11 percent of the Township's total assessed valuation.

Since 2021, the average equalized assessed value of the Township's residential (Class 2) properties has increased significantly. During 2021, the average equalized residential (Class 2) assessment was \$215,315 per parcel and this per parcel average had increased to \$321,307 during 2024.

TABLE 5

**LITTLE EGG HARBOR TOWNSHIP, OCEAN COUNTY
 RATABLE BASE COMPOSITION
 LOCAL USE REVENUES AND TAXES**

<u>Year</u>	<u>Assessed</u>	<u>Valuation</u>	<u>Equalized</u>	<u>Percent</u> <u>Comm/Ind</u>	<u>Assessment</u> <u>Ratio</u>	<u>Local Use</u> <u>Budget</u>	<u>Average</u> <u>Residential</u> <u>Tax</u>
2021	\$2,334,754,899	\$2,491,202,410		7.39	93.72	\$24,451,462	\$5,285
2024	\$2,389,822,300	\$3,713,787,568		7.23	64.35	\$28,673,918	\$5,977

Source: New Jersey Department of Community Affairs, Division of Local Government Services, Annual Report, 2021;
 Ocean County Board of Taxation, 2024.

In 2021, the average residential (Class 2) tax bill in Little Egg Harbor Township was \$5,285 and between 2021 and 2024, this average annual tax increased at an average annual rate of 4.19 percent, resulting in a 2024 average residential (Class 2) tax of \$5,977. This assessment and tax information is further detailed in Table 6.

Effective Tax Rates

The general tax rates levied in Little Egg Harbor Township reflect the ratio of assessed to true (market) value of the assessments in the Township. In 2021, the local (general) tax rate in Little Egg Harbor Township was \$2.619 per \$100 of assessed value. By 2024, this general tax rate had increased to \$2.891 per \$100 of assessed value. On an “equalized valuation” basis, the tax rate actually decreased from \$2.454 in 2021 to \$1.860 in 2024. During 2024, the general tax rate in Little Egg Harbor Township is 2.891 per \$100 of valuation, with an equalized tax rate of \$1.860.

Little Egg Harbor Township			
<u>Local and Equalized Tax Rates</u>			
<u>Year</u>	<u>Local Rate</u>	<u>Assessment Ratio</u>	<u>Equalized Rate</u>
2021	\$2.619	93.73	\$2.454
2024	\$2.891	64.35	\$1.860

Overview

The preceding review of the economic, demographic, fiscal and financial characteristics of Little Egg Harbor Township has disclosed the Township to be an established community that has experienced residential and commercial growth over the past 20 years. As previously noted, Little Egg Harbor Township contains approximately 7.53 percent of the County’s land area, accounted for 3.26 percent of the County’s 2020 population and 1.44 percent of the County’s 2020 employment base.

Between 2021 and 2024, the equalized valuation (assessments) in Little Egg Harbor Township increased from \$2,491.2 million to \$3,713.7 million. In 2021, the average residential property in Little Egg Harbor Township had an equalized assessment of \$215,315 and paid total taxes of \$5,285 per year. By 2024, the average residential (Class 2) assessment had increased to \$321,307 while the taxes paid by the average residential property had increased to \$5,977 per year. From 2021 to 2024, the average residential (Class 2) tax paid in Little Egg Harbor Township increased at an average annual rate of 4.19 percent.

TABLE 6

**LITTLE EGG HARBOR TOWNSHIP, OCEAN , Ocean COUNTY
AVERAGE RESIDENTIAL¹ ASSESSMENTS AND TAXES**

<u>Year</u> <u>County</u>	Average Residential Assessment	Equalized Residential Assessment	Total Tax	PROPERTY TAXES		
				<u>Municipal</u>	<u>Local School</u>	<u>Regional School</u> <u>County</u>
2021	\$201,793	\$215,315	\$5,285	\$1,695	\$1,241	\$ 850
2024	\$206,761	\$321,307	\$5,977	\$1,877	\$1,362	\$1,648

Source: New Jersey Department of Community Affairs, Division of Local Government Services, Annual Report, 2020; Ocean County Board of Taxation, 2024.

¹ Class 2 Residential Properties

PROJECT DESCRIPTION AND FISCAL IMPACTS

On the preceding pages, the economic base and fiscal infrastructure of Little Egg Harbor Township have been examined and quantified. With the information and insight gained in the foregoing examination, it is now possible to estimate the costs, revenues, and overall fiscal effects that would be expected to accompany the construction and occupancy of the proposed active adult residential development.

Project Description

The development that is the subject of the ensuing fiscal assessment involves a proposal for the construction and occupancy of a proposed age-restricted (55+) residential development to be located on a tract of land situated along Center Street (451 Center Street) in the southern portion of Little Egg Harbor Township. The current development plan anticipates that the age-restricted development will include a total of 415 age-restricted housing units comprised of 199 single-family detached and 216 single family-attached (triplex) housing units along with a clubhouse with amenities (pool, pickelball, dog run), open space, storm water management and buffer areas.

The 199 single-family attached housing units include four different models with anticipated sales prices ranging from \$480,000 to \$610,000 and averaging \$546,382. The single-family attached housing units include two different models with anticipated sales prices ranging from \$400,000 to \$410,000 and averaging \$406,667. Overall, the 415 new active adult homes have an average sales price of \$473,663.

Based upon the unit distributions in the developer's plans and the current pricing schedule, the proposed age-restricted residential development would be expected to represent an aggregate (completed) value of \$196,570,000. At the Township's assessment ratio of 64.35 percent, the completed age-restricted development would represent an estimated assessment of \$126,492,800. This information is further detailed in the following tabulation:

**Proposed Age Restricted Residential Development
Venue at Summers Corners, Little Egg Harbor Township**

<u>Age-Restricted</u>	No Units	Sale Price/ <u>Est Value</u>	Aggregate <u>Value</u>
<u>Single-Family Detached</u>			
Montauk SFD-3BR	32	\$480,000	\$ 15,360,000
Saratoga SFD-3BR	65	\$510,000	\$ 33,150,000
Merion SFD-3BR	50	\$570,000	\$ 28,500,000
Belmont SFD-3BR	<u>52</u>	<u>\$610,000</u>	<u>\$ 31,720,000</u>
Subtotal	199	\$546,382	\$108,730,000
 <u>Single-Family Attached</u>			
Oakville SFA-3BR (interior)	72	\$400,000	\$ 28,800,000
Providence SFA-3BR (end)	<u>144</u>	<u>\$410,000</u>	<u>\$ 59,040,000</u>
Subtotal	216	\$406,667	\$ 87,840,000
 Total	 415	 \$473,663	 \$196,570,000
		 <i>Estimated Assessment (64.35 percent)</i>	 <i>\$126,492,800</i>

Population Determinants

There are a number of techniques and methods available in demographic analysis which may be utilized to estimate the anticipated population levels that would be generated by a proposed development. No single technique or methodology is universally applicable. Rather, all methods available for the pro forma calculation of anticipated population are subject to certain limitations.

Among the various techniques available for developing estimates of population, the "comparable" approach, or "case study" method, appears to offer the benefits of actual experiences, timely data, geographic proximity and known similarities in market sectors and product design. In the "case study" method, population determinants are generated on the basis of the actual occupancy experiences of comparable housing units in similar, recently constructed housing complexes. The reliability of the "case study" model is a function of the comparability of the "case study" housing units to the units proposed for construction.

Municipal Multipliers - Information is also available from the U.S. Department of Commerce, Bureau of the Census, which provides population and housing characteristics that can be examined to estimate municipal population and school children multiplier ratios on a per household basis. In this regard, at the time of the 2020 Census of Population (April 1, 2020), Little Egg Harbor Township contained a total population of 20,784 persons, of which 20,487 persons occupied 8,715 of the Township's 10,812 total housing units. At this time (2009-2010 school year), there were 2,711 children from Little Egg Harbor Township enrolled in the local and regional public schools. These statistics indicate that the average household in Little Egg Harbor Township contained 2.35 persons, including 0.311 public school children.

The proposed development differs from the Township's housing base to the extent that all (100.0 percent) of the proposed new homes are "new" and "age-restricted". In view of the differences in the type of housing units that are proposed vis-a-vis Little Egg Harbor Township's existing housing base, the use of municipal demographic cohorts as a "comparable" would not be appropriate.

Updated Demographic Multipliers

Given the design and age-restricted nature of the nature of the proposed new housing units, demographic information for recently occupied detached and attached housing units in New Jersey could provide a more realistic basis for estimating the population and public school children likely to be generated by the proposed detached and attached housing units in Little Egg Harbor Township. In this regard, a survey of the demographics of residents of housing units in New Jersey was provided in an updated (November 2018) study of newly occupied housing units entitled, Who Lives in New Jersey Housing, which was prepared by the Center for Urban Policy Research (CUPR), Edward J. Bloustein School of Planning & Public Policy at Rutgers, The State University.

The CUPR study provides demographic multipliers for single-family detached homes, single-family attached homes, and multi-family (5 to 49 units), which includes condominiums and apartments. Demographic multipliers are provided for the State of New Jersey with adjustments for pricing (all values, below median or above median). Unlike the prior (2006) survey, information is not provided for three regions of the State (north, central, and south) and the updated data does not disaggregate owner- and renter-occupied units for all type of housing , nor does it provide the

demographic multipliers for specialized housing products such as “age-restricted” or “transit-oriented” developments.

The prior (2006) CUPR survey did provide demographic multipliers for age-restricted housing units, however, these multipliers were based upon a sample for the “Northeast” region of the United States derived from the American Housing Survey and are not specific to New Jersey. Additionally, the age-restricted data contained in the 2006 CUPR survey, and presented in Appendix 1, was based upon housing units constructed between 1990 and 2003. The 2006 CUPR survey reports average household sizes for age-restricted housing in the Northeast region of the United States as follows: 1.57 persons per unit for single-family detached homes, 1.39 persons per unit for single-family attached homes (townhomes) and 1.20 persons per unit for multifamily (condominium ad apartment) units.

Age-Restricted Housing - Occupancy statistics for age-restricted housing in New Jersey are available from the Bureau of the Census for certain larger adult communities in New Jersey that have been identified as Census Designated Places (CDP’s). The Census provides population and household data for five Census Designated Places (CDP’s)² within Manchester Township in Ocean County that are age-restricted communities. At the time of the 2000 Census, the five adult communities in Manchester Township reported average household sizes ranging from 1.44 persons to 1.60 persons and averaging 1.49 persons per household. By 2010 the five adult communities averaged from 1.41 to 1.57 persons per household, with an overall average of 1.46 persons per household. The demographic characteristics observed in the Manchester Township adult communities are not unique to this municipality, but are similar to the demographic characteristics of residents in other senior housing communities.

Berkeley Township in Ocean County is another community with a substantial concentration of adult community residents. The Bureau of the Census provides population and household data for three Census Designated Places (CDP’s)³ within Berkeley Township that have been developed as adult (age-restricted) communities. At the time of the 2000 Census the three adult communities in

² Cedar Glen Lakes; Cedar Glen West; Crestwood Village; Leisure Knoll and Pine Ridge at Crestwood.

³ Holiday City; Holiday City South; and Leisure Village East..

Berkeley Township reported average household sizes ranging from 1.62 persons to 1.70 persons and averaging 1.63 persons per household. By 2010 these average household sizes ranged from 1.54 persons to 1.63 persons and averaging 1.56 persons per household

Similar information is reported for two adult (age-restricted) communities that are located in Dover Township in Ocean County. The two adult community CDP's in Dover Township contained 1.58 persons per occupied household in 2000 and 1.60 persons per household in 2010.

Additional demographic data is also reported for adult CDP's located within Monroe Township, and includes three age-restricted communities that are separately profiled as "CDP's" by the Bureau of the Census. Within Monroe Township, at the time of the 2010 Census the Clearbrook adult community contained an average of 1.48 persons per household, while the Concordia and Rossmoor adult communities contained 1.52 and 1.36 persons per household, respectively. A review of Census data for adult community CDP's also discloses a single adult community in Southampton Township in Burlington County (Leisuretowne) that contained 1.56 residents per occupied household in 2000 and 1.63 residents per occupied household in 2010.

The population and housing data for the aforementioned adult community CDP's in Manchester, Berkeley, Dover, Monroe and Southampton Townships, which indicates an overall average of 1.52 persons per household at the time of the 2000 and 2010 Census, is provided in Appendix 2 and 3, respectively.

Added Population

The CUPR data indicates that age-restricted, single-family detached homes would be occupied by an average of 1.57 persons per housing unit while single-family attached (townhouse) units would be occupied by an average of 1.39 persons per unit. The New Jersey "comparables" would suggest an occupancy of 1.52 persons per housing unit. Notwithstanding the lower multipliers indicated by the New Jersey data, but in view of the "new" nature of the proposed age-restricted homes and the expectation that the initial occupancy of these types of homes may be somewhat higher than their continued occupancy, the higher CUPR multiplier of 1.57 persons per single family detached housing units have been utilized, with 1.39 persons per household used to estimate the population per housing unit in single-family attached housing units.

Proposed Age-Restricted Residential Development in Little Egg Harbor Township
CUPR Age-Restricted Demographic Multipliers

Age-Restricted <u>Housing</u>	No. of <u>Units</u>	<u>Population Per Unit</u>		<u>Estimated Population</u>	
		<u>Total</u> <u>Pop.</u>	<u>Public</u> <u>School</u>	<u>Total</u> <u>Pop.</u>	<u>Public</u> <u>School</u>
SFD-3BR	199	1.570	0.000	312	0
SFA-3BR	<u>216</u>	<u>1.390</u>	<u>0.000</u>	<u>300</u>	<u>0</u>
<u>Total</u>	415	1.475	0.000	612	0

As indicated in the preceding calculations, the applicable CUPR age-restricted multipliers, when applied to the 415 age-restricted housing units, would yield 612 residents, with no public school children .

IMPACT ANALYSIS

Fiscal Impact

The fiscal impact resulting from the construction and occupancy of the proposed age-restricted residential development containing 415 housing units with 612 adult residents and no (0) public school aged children, may now be examined in terms of the various services provided by the Township to its residents and businesses. The determination of the fiscal impact of the proposed development involves the use of an econometric model which is a composite of two techniques generally referred to as the “proportional valuation method” and the "per capita multiplier method". The "proportional valuation method" is utilized first to assign a portion of total municipal expenditures to the non-residential (as opposed to the residential) valuation in the Township . Municipal expenditure levels proportionately allocated to residential valuation are then expressed in terms of per capita expenditures for the existing population base. School appropriations are expressed on a per pupil basis. Once these per capita and per pupil expense ratios are determined, the "per capita multiplier method" anticipates added costs from the proposed development by applying increased population and student enrollment to the current expense ratios.

Assumptions, Conditions and Qualifications

The preparation of a cost/revenue analysis, which measures the overall and specific impacts resulting from the development and occupancy of the proposed development, necessarily requires that certain empirical assumptions be made:

- 1) All dollars are 2024 dollars--the fiscal impact shown reflects the forecasted impact as if the development were completed in 2024;
- 2) Other growth or changes (demographic/economic) occurring in Little Egg Harbor Township during the development phases of the project may well have their own impact on fiscal matters, but are not included within the scope of this study in order to empirically assess the direct impact of the planned development;

- 3) The “proportional valuation method” assumes that, over the long run, current average operating costs furnish a reasonable estimate of future operating costs occasioned by growth, and that current levels of service, relative to current population, are reasonably accurate indicators of future service levels continued at the same relative scale, and;
- 4) The current distribution of expenditures among the various sectors of municipal service will remain constant in the short term and will serve as the primary indicator of the way in which additional expenditures will be subsequently allocated.

Utilizing the aforescribed methodology and assumptions, the ultimate impact of the completion and occupancy of the proposed age-restricted residential development can be determined through a cost/revenue analysis of the major sources of the services and taxing bodies affected by the new development. The primary sources of the services to be affected are: a) the municipality; b) the local and regional school districts, and ; c) the County.

MUNICIPAL SERVICE COSTS

The fiscal effects anticipated to result from the proposed age-restricted residential development in Little Egg Harbor Township and the addition of 612 adult residents shall be analyzed in this section in terms of the cost of the various municipal services that the Township provides to the residential and non-residential properties located within the Township.

Municipal Costs

Insofar as the costs of the services now being provided by the community serve as the statistical foundation for the costs to be generated by the proposed development, an analysis of existing service/cost relationships has been undertaken. A summary of Little Egg Harbor Township's current (2019) revenues and expenditures, as presented in Table 7, provides a useful profile for the determination of the fiscal impact attributable to the proposed development.

Before the data and relationships indicated in Table 7 may be utilized, certain adjustments must be made to separate its residential and non-residential components. As may be seen in Table 7, non-residential properties in the Little Egg Harbor Township, which include Class 4a Commercial and Class 4b Industrial properties, represent 1.62 percent of all properties and 7.23 percent of Little Egg Harbor Township's total assessed valuation. Given these distributions, 4.43 percent of the total current municipal expenditures would be assigned, in terms of cost/benefit (or cost generation), to the non-residential properties in Little Egg Harbor Township. Of the Township's current tax-supported appropriations of \$21,462,280, approximately 4.43 percent, or \$950,779, would be assigned to the Township's 190 non-residential (commercial/industrial) properties.

The Township's residential properties, which are represented by 10,415 Class 2 Residential, 2 Class 3a Farm and 2 Class 4c Apartment properties, represent 88.60 percent of the Township's total properties and 90.28 percent of the Township's total assessed valuation, and would be assigned 89.44 percent of the Township's total tax-supported costs. In this regard, \$19,195,863 of the Township's total, tax-supported local use appropriations of \$21,462,280 would be attributed to residential properties located within Little Egg Harbor Township.

TABLE 7
MUNICIPAL DATA - 2024
LITTLE EGG HARBOR TOWNSHIP, OCEAN COUNTY

A. Current Assessments:

<u>Category</u>	<u>Assessment</u>	<u>Percent</u>	<u>Parcels</u>
1. Vacant Land	\$ 59,429,500	2.49	1,133
2. Residential	\$2,153,413,600	90.11	10,415
3a Farm-Regular	\$ 1,159,300	0.05	2
3b Farm- Qualified	\$ 91,700	0.00	17
4a Commercial	\$ 172,301,600	7.21	188
4b Industrial	\$ 542,900	0.02	2
4c Apartments	\$ 2,883,700	0.12	2
<u>Summary</u>			
Residential (Class 2, 3a, 4c)	\$2,157,456,600	90.28	10,419
Commercial/Industrial	\$ 172,844,500	7.23	190
Other (Class 1, 3b)	\$ 59,521,200	<u>2.49</u>	<u>1,150</u>
Total	\$2,389,822,300	100.0	11,759

B. Current Tax Structure:

<u>Rate Per \$100 (2022-23)</u>	<u>Percent</u>	<u>Rate</u>
Municipal Purpose	26.13	\$0.908
Local School	35.94	\$0.659
Regional School	19.41	\$0.797
County Taxes	<u>18.52</u>	<u>\$0.527</u>
Total	100.00	\$2.891

C. Local Use Appropriations:

	<u>Percent</u>	<u>Amount \$</u>
Municipal Purposes within CAPS	81.50	\$23,370,762
Operations Excludes from CAPS	4.38	\$ 1,255,105
Capital Improvements	0.51	\$ 145,000
Deferred Charges	0.00	\$ 0
Debt Service	<u>12.42</u>	<u>\$ 3,562,012</u>
Subtotal	98.81	\$28,332,879
Reserve for Uncollected Taxes	<u>1.19</u>	<u>\$ 341,039</u>
Total General Appropriations	100.00	\$28,673,918

D. General Revenues - Local Use:

	<u>Percent</u>	<u>Amount</u>
Revenue from Property Taxes	74.85	\$21,462,280
Miscellaneous Revenues	18.70	\$ 5,361,638
Surplus Revenues	6.28	\$ 1,800,000
Receipts from Delinquent Taxes	<u>0.17</u>	<u>\$ 50,000</u>
Total General Revenues	100.00	\$28,673,918

Note: Assessment Ratio is 64.35 percent

Non-Residential Costs - The 190 existing non-residential (commercial and industrial) parcels in Little Egg Harbor Township have a total estimated year-end 2024 employment base of 2,184 jobs and were previously calculated to generate \$950,779 in allocated, tax-supported, local use costs, or \$435 per employee. The proposed development is entirely residential in nature and will not directly generate any on-site employment or employee-based municipal service costs.

Residential Costs - When the resident-based, tax-supported municipal appropriations of \$19,195,863 are allocated among the Township's estimated year-end 2024 residential population of 21,612 residents, an average per capita, tax-supported cost appropriation of \$888 is derived. Concentrated, higher-density residential developments with internal management structures, homeowners or condominium associations, where many services (streets and road maintenance, snow removal, garbage collection, etc) are provided by the homeowners or condominium association, will typically have "marginal" costs that are approximately 60 percent of the "average" per capita costs. Notwithstanding the foregoing and applying the higher "average" per capita cost allocation of \$888 to the 612 adult residents estimated to reside within the proposed age-restricted residential development, yields an allocated local use appropriation of \$543,460 (612 x \$888 = \$543,460).

Cost Allocations - The actual experience and distribution of the municipality's expenditures among its various budgetary components provides a basis for the allocation of costs estimated for the proposed new development. The allocated costs would reflect an annual allotment of estimated appropriations predicated upon Little Egg Harbor Township's existing levels of service and appropriations. The estimated tax-supported costs of \$543,460 amounts to 2.53 percent of the tax-supported municipal appropriations that would be allocated to maintain the same level and quality of municipal services to the Township's existing residential and non-residential properties. The forecasted allocation does not take into account factors associated with the lower costs attributable to the compact and self-contained nature of the age-restricted residential development and the economies of scale and efficiencies inherent in the addition of 612 persons to an estimated existing population base of approximately 21,612 persons.

Municipal Revenues

The existing and added costs of municipal services are paid by the various sources of revenues received by the community. Little Egg Harbor Township’s revenue sources may be grouped into four major categories as shown on Table 7. As was the case in estimating tax-supported added costs, the added tax revenues generated by the planned development may be calculated on the basis of the Township’s actual experience in generating municipal revenues.

Local Use Tax Revenues - Local use tax revenues may be determined from the current portion of the general tax rate allocated to local municipal uses. In Little Egg Harbor Township’s general tax rate of \$2.891 per \$100 of assessed valuation, \$0.908 per \$100 is appropriated for local municipal uses. The local use (municipal) tax rate may be utilized to determine the added local use tax revenues to be derived from the completion and occupancy of the proposed development.

<u>Added</u> <u>Valuation</u> \$100	X	Local Use Tax Rate	=	Added Local Use <u>Tax Revenues</u>
<u>\$126,492,800</u> \$100	X	\$0.908	=	\$1,148,550

As indicated in the foregoing calculation, it is estimated that the valuation of the proposed residential development will yield annual local use property tax revenues of \$1,148,550 at the current local use tax rate. The local use tax revenues which Little Egg Harbor Township would have received had the proposed development been completed and occupied during 2024 are estimated to amount to \$1,148,550 and represent a 5.35 percent increase in the Township’s total municipal tax revenues of \$21,462,280. The anticipated tax revenues resulting from the proposed development exceed the allocated tax-supported costs of \$543,460 and result in a surplus of \$605,090:

<u>Tax-Supported Local Use Costs and Revenues</u>	
<u>Proposed Age-Restricted Residential Development</u>	
Annual Tax Revenues	\$1,148,550
Allocated Tax-Supported Costs	<u>\$ 543,460</u>
Revenue Surplus (Deficit)	\$ 605,090

SCHOOL SYSTEM IMPACT

The number of public school students expected to be generated by a new residential development typically furnishes the statistical basis for this element of the anticipated fiscal impact of a proposed development. Little Egg Harbor Township provides educational services for students in grades K-6 and is a member of the Pinelands Regional School District which provides educational services for students from the four member communities in grades 7 through 12. The proposed development is an age-restricted community with a specific prohibition against residency by any persons under 19 years of age. Therefore, no school children or school costs are expected as a result of the proposed adult community. Additional tax revenues, however, will be realized by the Little Egg Harbor School District Township and Pinelands Regional School District .

Little Egg Harbor Township School District Costs

During the 2024-25 school year, the Little Egg Harbor School District has a total operating budget of \$27,580,900, of which \$16,034,283 (58.14 percent), is funded by local property taxes. Relative to the school district’s enrollment, the current (2024-25) school district budget equates to \$17,668 per student, of which \$10,272 per student, is funded by local property taxes. The proposed age-restricted housing units, as previously discussed, will not generate any public school students, or costs, for the Little Egg Harbor Township School District.

Local School District Revenues - Although school district revenues are received from several sources, the revenues derived as a result of school district taxes remain a major source of all school revenues. Within the school district budget, revenues received from school district taxes accounted for 58.14 percent of the total school district revenues, while the remaining sources of school revenues can be generally grouped into three categories--balance, governmental aid, and other.

Local School District Tax Revenues - The proposed residential development is expected to represent \$126,492,800 of assessed valuation for the ratable base of the Little Egg Harbor Township School District. The application of the local school district tax rate of \$0.659 per \$100

of valuation results in \$833,590 in added school district tax revenues from the local school district tax ($\$126,492,800 \div \$100 \times \$0.659 = \$833,590$).

Local School District Summary - The property tax revenues that the Little Egg Harbor Township School District would be expected to receive as a result of the completion and occupancy of the proposed age-restricted residential development amount to \$833,590. In the absence of any added local school district students or school district costs, the added school district revenues of \$833,590 would yield a net revenue surplus of \$833,590 for the Little Egg Harbor Township School District:

Allocated Costs and Added Revenues
Little Egg Harbor Township School District

Annual Tax Revenues	\$833,590
Allocated Tax-Supported Costs	<u>\$ 0</u>
Surplus (Deficit)	\$833,590

Pinelands Regional School District

The proposed development is an age-restricted community with a specific prohibition against residency by any persons under 19 years of age. Therefore, no school children or school costs are expected for the Pinelands Regional School District as a result of the proposed age-restricted development.

Regional School District Costs - During the 2024-25 school year, the Pinelands Regional School District has budgeted total operating expenditures of \$37,031,436, of which \$22,905,622 (61.85 percent) is funded by property tax revenues. Relative to the number of students "on roll" in the Pinelands Regional School District, these expenditures amount to \$24,093 per student, of which \$14,903 per student is funded by property tax revenues. The proposed age-restricted housing units, as previously discussed will not generate any public school students, or costs, for the Pinelands Regional School District

Regional School District Revenues - Although school district revenues are received from several sources, the revenues derived as a result of school district taxes remain the major source of all school revenues. Within the school district budget, revenues received from school district taxes accounted for 61.85 percent of the total school district revenues, while the remaining sources of school revenues can be generally grouped into three categories--balance, governmental aid, and other sources.

Regional School District Tax Revenues - The proposed residential development is expected to represent \$126,492,800 of assessed valuation for the Pinelands Regional School District. The application of the local school district tax rate of \$0.797 per \$100 of valuation results in \$1,008,150 in added regional school district tax revenues from the regional school district tax ($\$126,492,800 \div \$100 \times \$0.792 = \$1,008,150$).

Regional School District Summary - The property tax revenues that the Pinelands Regional School District would be expected to receive as a result of the completion and occupancy of the proposed age-restricted residential development amount to \$1,008,150 and, absent any added regional school district students or regional school district costs, the added regional school district revenues of \$1,008,150 represent a net annual revenue surplus of \$1,008,150 for the Pinelands Regional School District:

Allocated Costs and Added Revenues
Pinelands Regional School District

Annual Tax Revenues	\$1,008,150
Allocated (Average) Tax-Supported Costs	<u>\$ 0</u>
Surplus (Deficit)	\$1,008,150

COUNTY SERVICE COSTS

A broad range of services are furnished by the County government, its agencies, offices and departments. These services, which are provided and available to all County residents without respect to municipality of residence, include the services of County Courts; Sheriff's office; various health, safety and welfare programs; maintenance of County roads; County education services; County parks; recreational facilities; etc. The nature of the services provided by the County are such that its services, facilities and operations are generally of countywide use and benefit, and the costs thereof are not allotted and cannot be segregated on a municipality-by-municipality basis. It is, therefore, difficult, to specifically separate and determine the actual measure of benefit, and the costs attendant thereto, received by Little Egg Harbor Township residents from Ocean County operations.

The absence of a direct cost/benefit relationship in the services supplied by the County does not preclude its analysis, but rather, focuses the correlations upon the actual manner in which County services are furnished and financed. Although County services are provided to the general public and, therefore, generate costs as a function of population (per capita), these services are not financed by the population, but through the assessment of a County Tax upon property valuations. A calculation of the estimated County costs and estimated County revenues resulting from the proposed development in Little Egg Harbor Township may also be derived from this bifurcated relationship between allocated costs and direct revenues.

County Costs

County services are provided primarily, and in some instances exclusively, for the benefit of County residents with only a limited amount of services rendered to non-residential properties and non-resident employees. Because the vast majority of Ocean County's services and associated costs are furnished to and for the benefit of County residents, only a nominal and indirect relationship exists relative to non-residential properties and the employees thereof. Of the total County appropriations, only those activities involved with general government, public safety, public works and judiciary could reasonably be perceived as providing a service/benefit to non-residential properties and their employees. These types of County services, which are provided for the joint benefit of residents and non-residents, account for approximately 20 percent of the total County

expenditures while the remaining 80 percent of Ocean County's expenditures are furnished exclusively for the County's residential population.

Non-Residential Costs - Although the majority of the County's tax-supported costs are provided for the benefit of the County's residents, some portion of the total tax-supported appropriations are attributable to non-residential properties. During 2024, approximately \$43.3 million of the County's total tax-supported appropriations of \$455.9 million would be allocated to the County's commercial and industrial properties. The County's existing commercial and industrial properties, with 160,927 estimated employees, yield a non-residential (commercial/industrial) cost factor of \$269 per commercial and industrial employee. The proposed redevelopment is entirely residential in nature and would not be expected to directly generate any on-site employment of employee-based County costs.

Residential Costs - During 2024, \$396.6 million of Ocean County's total tax-supported expenditures of \$455.9 million would be allocated to the County's resident population. With an estimated year-end 2024 resident population of 671,890 persons, the tax-supported residential expenditures amount to \$590 for each of the County's residents at this time. The proposed age-restricted development is estimated to have a resident population of 612 persons, which, at the current allocated cost of \$590 per capita, would be assigned \$361,080 in Ocean County costs.

County Revenues

The costs of the services and facilities provided by the County are financed by a variety of revenue sources. One important revenue source that accounts for 80.6 percent of the total County revenues, and which is directly derived from the County's constituent municipalities, is generated through the imposition of the County tax rate upon the real property valuations in each municipality within the County. The proposed new housing units, in representing \$126,492,800 of valuation for both the municipal and County tax rolls, would directly generate additional County tax revenues of \$666,620 at the current County tax rate of \$0.527 per \$100 of valuation. The proposed residential development would, therefore, be expected to generate County tax revenues that fully offset the allocated County costs:

County Services Impact
Proposed Age-Restricted Residential Development

Ocean County Tax Revenues	\$ 666.620
Allocated Tax-Supported Costs	<u>\$ 361,080</u>
Surplus (Deficit)	\$ 305.540

COMMUNITY IMPACT OVERVIEW

In the preceding sections, the nature and magnitude of the proposed residential development in Little Egg Harbor Township relative to the existing community have been defined and quantified, and the prospective impact thereof upon the various services furnished by the municipality and school system have been determined. The additional need for a variety of services, and the costs thereof, as a result of the proposed development were subsequently refined to illustrate the ultimate impact through cost/revenue analysis.

The results of these analyses, as set forth in Table 8, indicate that the proposed residential development would, in the present fiscal structure, generate added municipal, school district and County tax revenues totaling \$3,656,910 while the tax-supported costs allocated to the proposed residential development amount to \$904,540, and result in an annual revenue surplus of \$2,752,370. This revenue surplus is a combination of a revenue surplus of \$605,090 for municipal operations, a revenue surplus of \$833,590 for the Little Egg Harbor Township School District, a surplus of \$1,008,150 for the Pinelands Regional School District and a surplus of \$305,540 for Ocean County operations.

Impact Summary

The estimated fiscal effects of the proposed development, which yield tax revenues that exceed the allocated tax-supported costs for local use, the regional schools and for County operations, results from differences in the level of cost and revenue increases. An examination of the relationships which exist between population, valuation, and fiscal operations relative to the Township on the one hand, and the nature of the proposed development on the other, will disclose the underlying reason for the existence of the tax revenue surplus vis-a-vis tax-supported costs.

When a given budget is in balance (local, school, etc.), the measures of per capita valuation and per pupil valuation express the amount of property tax base supportive of each service user (resident / student) in the local municipality. These measures can be used as a general indicator of whether a new development will normally be expected to generate surplus revenues (or deficits).

TABLE 8

**Summary of Municipal and School District
Tax Revenues and Allocated Tax-Supported Costs
Proposed Age-Restricted Residential Development
in
Little Egg Harbor Township**

	<u>Municipal</u>	Local School	Regional School	<u>County</u>	<u>Total</u>
Annual Revenues	\$1,146,550	\$833,590	\$1,008,150	\$666,620	\$3,656,910
Allocated Costs	\$ <u>543,460</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>361,080</u>	\$ <u>904,540</u>
Surplus / (Deficit)	\$ 605,090	\$833,590	\$1,008,150	\$305,540	\$2,752,370

Generally speaking, if the per capita valuation of a new development is greater than that which exists throughout the municipality, then a surplus situation would be anticipated by such development. This indicator holds true in fiscal situations where property tax revenues contribute the major portion of total revenues. As the importance of property tax revenues diminishes, the reliability of this indicator also declines. Conversely, when a new development is found to contain per capita valuations below those existing in the municipality prior to the introduction of such new development, then a deficit situation will usually result.

In Little Egg Harbor Township, where property taxes represent 79.5 percent of the non-surplus revenues for municipal operations, per capita valuations provide comparisons which would anticipate the forecasted results. During 2024, the Township’s total residential assessed valuation of \$2,157,456,600 amounts to \$98,827 per capita. The proposed age-restricted development with a valuation (assessed value) of \$126,492,800 yields a per capita valuation of \$206,688. The tax base derived from the new age-restricted development is being added at a level that is 2.09 times the Township’s existing per capita residential valuation.

Ratable Base and Per Capita Comparisons

	<u>Little Egg Harbor Township</u>	<u>Proposed Development</u>
Residential Assessed Valuation	\$2,157,456,600	\$126,492,800
Total Population	21,612	612
Public School Children (K-6)	1,561	0
 Per Capita Valuation	 \$ 98,827	 \$ 206,688

The proposed residential development, as indicated above, generates a higher level of per capita ratables than the existing residential development in Little Egg Harbor Township. The indicated surplus for municipal operations and for school district operations can be attributed to these per capita and per pupil ratables relative to the existing ratios in the Township, and which are the foundation of the current tax rates.

The methodology utilized to calculate new municipal and school costs attributable to the completion and occupancy of the planned development is designed to provide cost estimates based upon existing levels of expenditures relative to population and public school enrollments. After adjustments are made for municipal expenditures allocated to non-residential services, total expenditures are expressed in terms of the average cost benefit derived on a per capita basis from municipal operations. The same is true for school allocations. The expression of current operating expenses in this manner stems from the assumption that current operations and service levels are adequate, appropriate, and reflective of municipal priorities. If new population is to be provided with the same level of service, then the cost of providing these services will increase in direct proportion to the increase in population.

The foregoing analysis has demonstrated that, if the proposed development had been in existence during 2024, the total tax revenues generated by the proposed development would fully offset the allocated tax supported cost to yield an overall, annual revenue surplus of \$2,752,370. The existing costs allocations for municipal operations, as summarized in Section C of Table 7, provide one possible distribution of the estimated overall costs; but it is the overall cost estimate, and not the specific distribution of this cost, that is the most reliable product of this analysis. The actual and final determination of specific services, equipment and manpower needs most appropriately rests with the various municipal and school authorities responsible for the provision of these services. Similarly, the allocation and/or reallocation of newly realized revenue sources should necessarily be reserved for those charged with the responsibility of managing these fiscal resources.

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APPENDIX 1

DEMOGRAPHIC MULTIPLIERS - AGE RESTRICTED HOUSING

Total Persons (Household Size Multipliers) and Persons by Age in Age-Restricted Housing in the Northeast United States

STRUCTURE TYPE/ BEDROOMS/ VALUE/TENURE	TOTAL PERSONS	AGE					85+		
		0-18	19-34	35-44	45-54	55-64		65-74	75-84
Single-Family Detached All Values, Bedrooms, and Tenure	1.57	0.00	0.01	0.08	0.00	0.67	0.44	0.37	0.00
Single-Family Attached All Values, Bedrooms, and Tenure	1.39	0.00	0.00	0.00	0.00	0.09	0.61	0.48	0.21
Multifamily All Values, Bedrooms, And Tenure	1.20	0.00	0.00	0.00	0.00	0.04	0.42	0.49	0.25
All Housing Categories' All Values, Bedrooms, and Tenure	1.38	0.00	0.00	0.02	0.00	0.28	0.53	0.40	0.14
				PERSONS					
Single-Family Detached All Values, Bedrooms, and Tenure	100%	0.00	0.01	0.05	0.00	0.43	0.28	0.23	0.00
Single-Family Attached All Values, Bedrooms, and Tenure	100%	0.00	0.00	0.00	0.00	0.06	0.44	0.35	0.15
Multifamily All Values, Bedrooms, and Tenure	100%	0.00	0.00	0.00	0.00	0.03	0.35	0.41	0.21
All Housing Categories All Values, Bedrooms, and Tenure	100%	0.00	0.00	0.01	0.00	0.21	0.39	0.29	0.10
				PERCENTAGES					

**APPENDIX 2
NEW JERSEY ADULT COMMUNITY HOUSING DEMOGRAPHICS
2000 CENSUS**

<u>Adult Community Census Defined Places (CDP's)</u>	<u>Total Population</u>	<u>Occupied Housing</u>	<u>Percent Households</u>	<u>Total Occupied</u>	<u>Persons Per</u>	
					<u>Housing</u>	<u>Occupied Households</u>
<u>Berkeley Township, Ocean County</u>						
Holiday City-Berkeley CDP	13,884	9,015	8,575	95.12	1.54	1.62
Holiday City South CDP	4,047	2,470	2,385	96.56	1.64	1.70
Leisure Village East CDP	4,597	3,035	2,826	93.11	1.51	1.63
<u>Dover Township, Ocean County</u>						
Leisure Village CDP	4,443	3,122	2,805	89.85	1.42	1.58
Silver Ridge CDP	1,211	827	770	93.10	1.46	1.57
<u>Manchester Township, Ocean County</u>						
Cedar Glen Lakes CDP	1,617	1,242	1,126	90.66	1.30	1.56
Cedar Glen West CDP	1,376	1,015	914	90.05	1.36	1.44
Crestwood Village CDP	8,392	6,448	5,694	88.31	1.30	1.47
Leisure Knoll CDP	2,467	1,634	1,540	94.25	1.51	1.60
Pine Ridge at Crestwood CDP	2,025	1,514	1,367	90.29	1.34	1.48
<u>Monroe Township, Middlesex County</u>						
Clearbrook Park CDP	3,053	2,067	1,947	94.19	1.48	1.57
Concordia CDP	3,658	2,341	2,180	93.12	1.56	1.68
Rossmoor CDP	3,129	2,345	2,131	90.87	1.33	1.47
<u>Southampton Township, Burlington County</u>						
Leisuretowne CDP	2,535	1,709	1,628	95.26	1.48	1.56
SURVEY/AVERAGE	56,434	38,784	35,888	92.53	1.46	1.57

Source: U.S. Department of Commerce, Bureau of the Census, 2000 Census of Population and Housing, Profile of General Demographic Characteristics, Summary File 1 (SF 1)

APPENDIX 3
NEW JERSEY ADULT COMMUNITY HOUSING DEMOGRAPHICS
2010 CENSUS

<u>Adult Community</u> <u>Census Defined Places (CDP's)</u>	<u>Population</u>	<u>Total Housing</u>	<u>Occupied Households</u>	<u>Percent Occupied</u>	<u>Persons Per</u>	
					<u>Total Housing</u>	<u>Occupied Households</u>
<u>Berkeley Township, Ocean County</u>						
Holiday City-Berkeley CDP	12,654	9,023	8,152	90.35	1.40	1.55
Holiday City South CDP	3,689	2,460	2,257	91.75	1.50	1.63
Leisure Village East CDP	4,217	3,057	2,743	89.73	1.38	1.54
<u>Dover Township, Ocean County</u>						
Leisure Village CDP	4,345	3,080	2,664	86.49	1.41	1.63
Silver Ridge CDP	1,133	827	749	90.57	1.37	1.51
<u>Manchester Township, Ocean County</u>						
Cedar Glen Lakes CDP	1,421	1,234	1,008	81.69	1.15	1.41
Cedar Glen West CDP	1,267	985	812	82.44	1.29	1.56
Crestwood Village CDP	7,904	6,702	5,615	83.78	1.18	1.41
Leisure Knoll CDP	2,350	1,627	1,499	92.13	1.44	1.57
Pine Ridge at Crestwood CDP	2,369	1,810	1,550	85.64	1.31	1.53
<u>Monroe Township, Middlesex County</u>						
Clearbrook Park CDP	2,667	2,006	1,803	89.88	1.33	1.48
Concordia CDP	3,092	2,261	2,032	89.87	1.37	1.52
Rossmoor CDP	2,666	2,257	1,966	87.11	1.31	1.53
<u>Southampton Township, Burlington County</u>						
Leisuretowne CDP	3,582	2,351	2,204	93.75	1.52	1.63
SURVEY/AVERAGE	53,564	39,680	35,054	88.34	1.34	1.52

Source: U.S. Department of Commerce, Bureau of the Census, 2010 Census of Population and Housing, Profile of General Demographic Characteristics, Summary File 1 (SF 1)