



BEACON PLANNING AND CONSULTING SERVICES, LLC
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**COMMUNITY IMPACT STATEMENT
WATERSIDE – LOWER IRON STREET
BLOCK 569, LOTS 3, 4, 5, 5.01, 10 AND 11.01
TOMS RIVER, NEW JERSEY**

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The original copy of this report was signed and
sealed in accordance with N.J.S.A. 45: 14A-12.



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TABLE OF CONTENTS

Introduction	3
Property Description	5
Master Plan and Redevelopment Plan	5
Project Market Value	11
Municipal Tax Revenues	11
Population Impact	12
School District Impact	13
Municipal Facilities and Services Impact	16
Cost/Revenue Analysis	17
Conclusion	19

INTRODUCTION

Beacon Planning and Consulting Services, LLC, has been retained by the Township of Toms River to review project assumptions, as well as undertake a community and fiscal impact assessment regarding the redevelopment of the property now identified as Meridia at Toms River: Waterside. For purposes of this review, the redevelopment has been identified as 285 multifamily residential units, 16,000 sq.ft. of retail space, and 411 parking spaces. BPCS utilized resources which included information prepared by McManimon, Scotland & Baumann with respect to property location and the proposed scope of development. BPCS also conducted interviews with local school officials, police officials, EMS officials, fire officials, and public works officials, and reached-out to water and sewer purveyors.

The project site is located within downtown Toms River, consists of parcels adjoining Irons Street, Herflicker Boulevard and West Water Street, and is situated within the Downtown Waterfront Redevelopment Area. The Redevelopment Area consists of properties identified as: Block 566.01 (in its entirety); Block 566.02, Lots 3, 7, 8, 9, and portion of Lot 5; Block 566.03 (in its entirety); Block 567 (in its entirety); Block 569, Lots 4, 5, 6, 7, 8, 9, 10 and 11; and Block 658, Lots 25, 47, 48, and 58. The proposed development will occupy Block 569, Lots 3, 4, 5, 5.01, 10 and 11.01 with a total area of ~3.7539 acres.

Meridia Toms River proposes to construct 285 residential units with approximately 16,000 sq.ft. of ground level and second floor retail space and 411 parking spaces. Residential apartments will consist of 242 market rate units and 43 affordable units. The unit breakdown will be as follows:

Unit type	Unit Count
Studio	44
One-Bedroom	141
Two-Bedroom	56
Three-Bedroom	1
Two-Bedroom Affordable	22
Three-Bedroom Affordable	21
Total:	285

The Developer is seeking a Long Term Tax Exemption or PILOT (Payment in Lieu of

Taxes) for the proposed construction project. PILOTs are permitted via N.J.S.A 40A:20-1 and are utilized to spur development within communities that might otherwise not attract redevelopment and/or be financially feasible. Although a PILOT may appear to be just a tax break for the Developer, the community itself benefits from unproductive, nuisance/delapidated/unsafe parcels being returned to productive use, and the attraction of new investments based on the success of the proposed initial project. PILOTs allow communities that may not otherwise experience growth or reinvestment to attract same. In this instance, payments to the community will take the form of Annual Service Charges (ASC).

Pursuant to information provided by the Redeveloper, the proposed development is estimated to cost \$66,705,738.00 (total costs) and is estimated to have a market value of \$76,305,139.00 upon stabilization.

The intangible benefits of the proposed project include redeveloping the Township's downtown in a manner that locates increased residential density proximate to the downtown area of the community, thus supporting local businesses. The proposed development will diversify the housing stock of the community allowing for different housing options for Township residents. For example, the homeowner looking to downsize or a commuter looking for easy access to employment centers, such as Atlantic City, Newark, Jersey City or New York City. It also expands housing choices through the provision of affordable two- and three-bedroom units. The proposed redevelopment will return underutilized parcels to productivity in an area targeted by the local planners for same and will open up the waterfront along the river for public enjoyment via the proposed walkway. Finally, the increased population expands the potential volunteer pool for fire and EMS services.

This study examines the anticipated impacts of the proposed development upon Toms River's population, school infrastructure, and municipal facilities and services. Based on our review and analysis, it is anticipated that, upon completion, the proposed development will include the following impacts of note:

- Generation of ~ 35-50 public school children.

PROPERTY DESCRIPTION

The site is located in a downtown neighborhood of Toms River within the Downtown Waterfront Redevelopment Area. Meridia Toms River Urban Renewal, LLC (MTR) is proposing to develop Block 569, Lots 3, 4, 5, 5.01, 10 and 11.01, which comprises a total area of ~3.7539 acres. The proposed development will occupy the majority of the site and have frontage along West Water Street, Irons Street, Herflicker Boulevard, and the Toms River waterway.

The property is currently improved with an open-air public parking lot and to-be demolished structures along West Water Street. The Toms River post office is located northwest of the property while smaller commercial uses are located to the northeast. To the southeast is the Toms River waterway and parking spaces while to the southwest are additional open parking areas and light industrial uses. The parcel is also located approximately a third of a mile from the Township's main bus terminal. BPCS notes that bus service is provided to New York City from this terminal.

MTR proposes to construct 285 residential units with approximately 16,000 sq.ft. of ground level retail and 411 parking spaces. Market rate units will consist of (44) studio, (141) one-bedroom, (56) two-bedroom, and (1) three-bedroom layouts while affordable units will reportedly consist of (22) two-bedroom and (21) three-bedroom layouts.

MASTER PLAN AND REDEVELOPMENT PLAN

The 2017 Periodic Reexamination Report Update and Land Use Plan Element Update: Part 2 – Land Use Element outlines portions of the 2016 Master Plan Reexamination, which determined, under the section discussing how problems and objectives have either been reduced or increased, that: “The strengthening of Downtown Toms River continues to be a matter of strong interest. Since the last update of the Master Plan, a large portion of Downtown has been declared to be an Area in Need of Redevelopment.”

The 2017 Land Use Element incorporates Updated Goals and Objectives, including:

- Relate future residential growth to the municipal infrastructure;
- Provide for the Township's fair share of low and moderate income housing as set

forth in the amended Housing Element and Fair Share Compliance Plan adopted in February of 2017 as a result of mediation and a determination of compliance by the court in 2016.

- Promote redevelopment of the Ciba-Geigy property, portions of Downtown Toms River between Huddy Park and the Parkway, and Route 37 between Fischer Boulevard and the bridge...”
- Encourage appropriate development of vacant or underutilized parcels.
- Capitalize on Toms River’s location and designation as the county seat to become a regional center. Encourage mixed-use development within the downtown, along with cultural and entertainment uses in order to attract young professionals that prefer walkable and diverse environments.
- Capitalize on mixed-use redevelopment and revitalization of areas that are becoming obsolete.

The latest Phase 1 Downtown Waterfront Redevelopment Area Draft Plan, revised through June 1, 2021, under Plan Vision and Goals, states: “The vision of the Redevelopment Plan for the Phase 1 Area is to encourage the development of mixed use development of higher density residential dwelling unit types above street level retail fronting on Water Street and wrapping the corners of the side streets of Irons Street, Adafre Street and a new road as they form a grid between Water Street and Herflicker Boulevard.” It also states: “The Phase 1 Redevelopment Plan Area borders parcels that are all completely previously developed with diverse uses such as single family and neighborhood retail services. The provision of more dense housing types would have a positive impact on the overall downtown. Mixed use development would be most compatible with the intent of the Village Business District and residential apartments would contribute to the diversity of housing choices within the downtown, consistent with LEED-ND under Neighborhood Pattern and Design (NPD) Credit 4 (Mixed-Income Diverse Communities).”

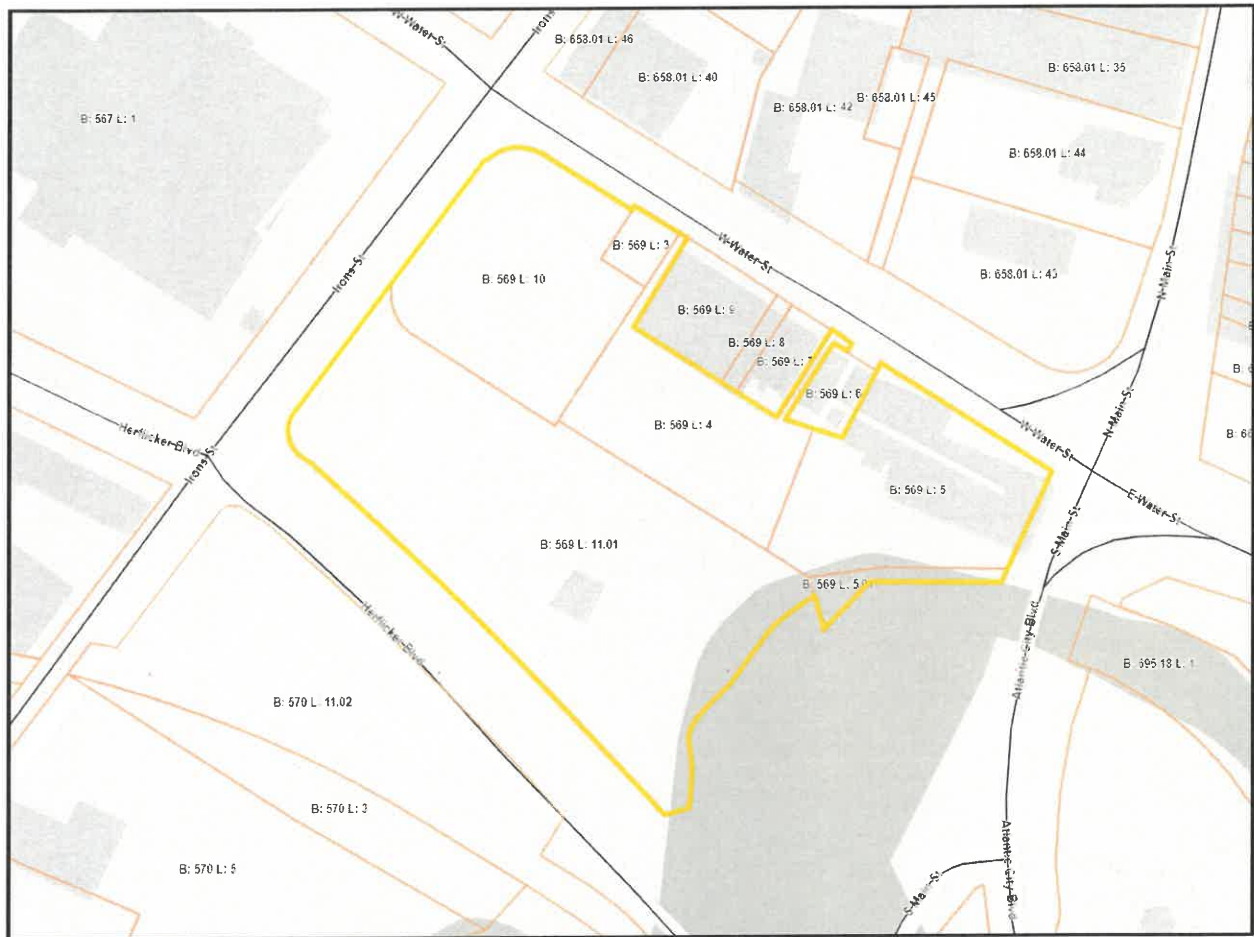
Specific goals include:

- To provide for an increase in the economic base of the Phase 1 Redevelopment

Plan Area by revitalizing underutilized, inefficiently utilized and unproductive properties;

- To provide for a mixed-use environment to serve a variety of community needs by catalyzing a revitalization of the Toms River Downtown Core through an infusion of new residents within walking distance;
- To provide for a greater variety of housing opportunities and choices within the downtown;
- Promote a multi-story mixed-use design that utilizes traditional design and planning concepts combined with modern architectural elements that create a sense of place and attractive livable environment, while capitalizing on views of the Toms River and proximity to the historic seaport waterfront;
- Minimize traffic congestion by encouraging greater use of bus transit as convenient and practical way to visit Downtown Toms River by connecting new redevelopment projects to the Toms River Bus Depot, consistent with transit-oriented development and smart growth principles.

The Redevelopment Project Area:



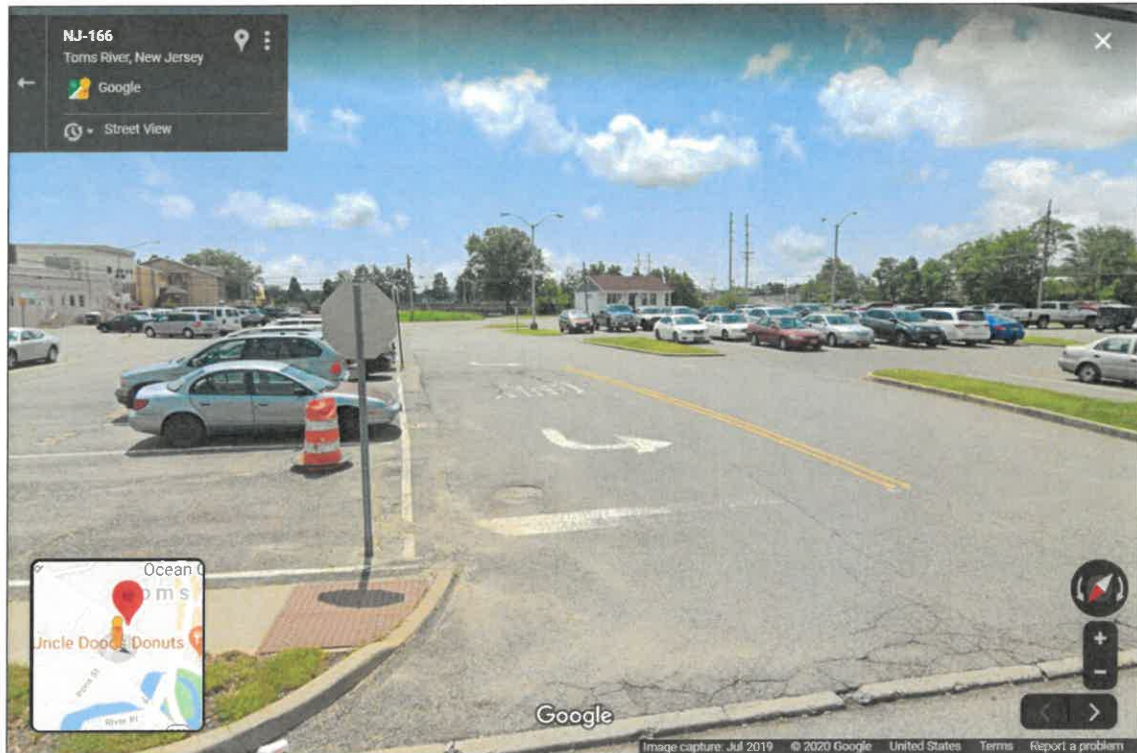
Location map of the proposed redevelopment project area.



Aerial of the proposed redevelopment project area.



10



Subject Property

PROJECT MARKET VALUE

Pursuant to the stabilized proforma provided by MTR, the market value of the project is estimated to be ~\$76,305,139.00 upon stabilization. Pursuant to the Project Cost Estimate included within the PILOT application, the development is anticipated to have construction hard costs of ~\$58,705,738.00 and a total project cost of \$66,705,738.00.

Construction costs anticipate the use of an open bidding process for construction, which would permit open-shop subcontractors to participate. Costs associated with utilizing only union labor were not anticipated and may result in higher costs than projected, potentially creating a further erosion of the market value of the completed structures and infrastructure.

MUNICIPAL REVENUES

The project is the subject of a Financial Agreement between the Redeveloper and municipality, and it is estimated (by the redeveloper) to generate an annual service charge

(ASC) of approximately \$392,747.00, of which \$373,110.00 will be directed to the Township of Toms River.

POPULATION IMPACT

In order to determine a proposed development's impact on the municipal population, it is first necessary to establish a reference point for the introduction of the anticipated population increase. In view of the fact that construction has not yet commenced, the analysis of impacts will assume that the project has already been built out.

Pursuant to the United States Census Bureau 2010 data, 88,791 residents were reported in the Township of Toms River, an increase of ~5.2% from 2000. The Census Bureau estimates the 2019 population at 94,107, exhibiting growth of ~5-6% since 2010.

The standard resource for estimating for household size were obtained from Who Lives in New Jersey?: Updated New Jersey Demographic Multipliers: The Profile of the Occupants of Residential Development in New Jersey prepared by David Listokin et al., dated November 2018 (see Table II-A-1 (50+ Units, Rent, All Values/Below Median). Beacon Planning estimates 1.392 persons per household will be generated for studio and one-bedroom market rate units, 2.243 persons per household for two-bedroom market rate units, 3.48 persons per household for three-bedroom market rate units, 1.236 persons per household for one-bedroom affordable units, 2.134 persons per household for two-bedroom affordable units, and 3.627 persons per household for three-bedroom affordable units.

Based on the proposed number of dwelling units, the estimated average household size, and estimated 2019 population, the proposed development would increase Toms River's population to 94,617. The total population of the proposed development is estimated to be ~510 residents within the 285 apartment units. See Table 1. The projected population attributable to the development represents an approximate ~0.50% increase in the Township's population.

Typically, developments consisting of one- and two- bedroom configurations attract young professionals, couples without children, or couples downsizing from larger homes. Couples with children tend to seek housing with additional bedrooms, familiar living space, such as dens or recreation rooms, and private yard areas.

Table 1:

Meridia Waterside at Toms River Block 569, Lots 3, 4, 5, 5.01, 10 and 11.01			
Population			
Unit Type	Unit Count	Multiplier	# of Persons
Studio	44	1.392	61.248
1 - Bedroom	141	1.392	196.272
2 - Bedroom	56	2.243	125.608
3- Bedroom	1	3.48	3.48
1 - Bedroom Affordable	0	1.236	0
2 - Bedroom Affordable	22	2.134	46.948
3 - Bedroom Affordable	21	3.627	76.167
	285		509.723
Population projections based on Table II-A-1 (50+ Units, Rent, All Values/Below Median) of Who Lives in New Jersey Housing? Updated New Jersey Demographic Multipliers published by the Center for Urban Policy Research, November 2018 Listokin, et. al.			
Unit breakdown obtained from draft Application for Long Term Tax Exemption from Meridia Toms River 40 Urban, undated.			

SCHOOL DISTRICT IMPACT

The Township of Toms River utilizes the Toms River Regional Schools for educating the local student population. The overall system consists of 18 schools; 3 high schools, 3 intermediate schools, and 12 elementary schools. In addition to Toms River, the school district also serves: Beachwood Borough; Pine Beach Borough; and South Toms River Borough. Pursuant to William Doering, CPA, Business Administrator, students would utilize the Walnut Street Elementary School, Intermediate South, and High School South. Students attending the elementary and intermediate schools would be bused.

Utilizing demographics multipliers published in Who Lives in New Jersey Housing? Updated New Jersey Demographic Multipliers prepared by David Listokin et al., dated November 2018 (see Table II-A-3) the project is estimated to generate approximately 35 school children. See Table 2 below:

Table 2:

Meridia Waterside at Toms River Block 569, Lots 3, 4, 5, 5.01, 10 and 11.01			
Public School Children			
Unit Type	Unit Count	Multiplier	# of Persons
Studio	44	0.018	0.792
1 - Bedroom	141	0.018	2.538
2 - Bedroom	56	0.13	7.28
3- Bedroom	1	0.614	0.614
1 - Bedroom Affordable	0	0.032	0
2 - Bedroom Affordable	22	0.193	4.246
3 - Bedroom Affordable	21	0.896	18.816
	285		34.286
Public School Children projections based on Table II-A-3 (50+ Units, Rent, All Values/Below Median) of Who Lives in New Jersey Housing? Updated New Jersey Demographic Multipliers published by the Center for Urban Policy Research, November 2018 Listokin, et. al.			
Unit breakdown obtained from draft Application for Long Term Tax Exemption from Meridia Toms River 40 Urban, undated.			

The Rutgers Center for Real Estate issued a white paper in 2018 entitled “School-Age Children in Rental Units in New Jersey: Results from a Survey of Developers and Property Managers” (dated July 2018). Pursuant to Table 3 below, we would anticipate approximately 50 total school children from the proposed development.

Table 3:

Meridia Waterside at Toms River Block 569, Lots 3, 4, 5, 5.01, 10 and 11.01			
School Children			
Unit Type	Unit Count	Multiplier	# of Persons
Studio	44	0.016	0.704
1 - Bedroom	141	0.016	2.256
2 - Bedroom	56	0.134	7.504
3- Bedroom	1	0.176	0.176
1 - Bedroom Affordable	0	0.103	0
2 - Bedroom Affordable	22	0.721	15.862
3 - Bedroom Affordable	21	1.089	22.869
	285		49.371
School Children projections based on Table 1 of School- Age Children in Rental Units in New Jersey: Results from a Survey of Developers and Property Managers published by Rutgers Center for Real Estate: White Paper Series, July 2018.			
Unit breakdown obtained from draft Application for Long Term Tax Exemption from Meridia Toms River 40 Urban, undated.			

BPCS contacted Mr. Doering in order to review school capacity as well as per pupil costs. Mr. Doering indicated that the schools have sufficient capacity to accommodate the projected number of additional students.

With respect to costs, Mr. Doering directed BPCS to the State of New Jersey Department of Education: School Finance – Taxpayers’ Guide to Education Spending 2020 information sheet. BPCS notes that the per pupil costs outlined by the Department of Education are likely in excess of those experienced by the Township. The Department of Education’s numbers incorporate costs associated with sending students out of district (i.e. special education, etc.), judgements against the school district, all food service expenditures, debt service, etc. It also includes state payments on behalf of districts for pension, social security, and post-retirement medical.

Were we to look at the Toms River Regional School District User Friendly Budget, Cost per Pupil is estimated at \$13,990 for the 2021-22 school year. We note that, of the \$225,305,150 projected total operating budget for the 2021 – 22 school year,

\$164,845,442.00 is projected to be funded from local tax levies, or approximately 73% of the costs for each student. This translates to a cost per pupil funded by the local level of ~\$10,212.70. The addition of 35-50 students to a district with a student population of over 15,000 will not trigger additional infrastructure requirements, administrative requirements or staffing. For this reason, we look to the cost of instruction and transportation on a per pupil basis, which is reported at \$7,950 per pupil for 2021. This results in 'real costs' of \$278,250.00 - \$397,500.

MUNICIPAL FACILITIES AND SERVICES IMPACT

BPCS conducted interviews with local school officials, police officials, EMS officials, public utility officials, and public works officials in 2020. The results of these discussions are detailed below.

Overall Municipal Services:

Departments most likely to experience impacts from the proposed development are Public Safety, Township infrastructure, and the School Districts.

Police Department:

Chief of Police Mitchell A. Little of the Toms River Police Department responded to questions regarding the Department's existing staffing levels and anticipated impacts from the proposed development. In 2020, he indicated they currently have 163 sworn officers plus 40 additional employees (civilian clerical staff, dispatchers, crossing guards, park security, school officers, etc.). Chief Little indicated a study was conducted over 15 years ago stating a total of 172 officers was recommended; however, he continued stating that the need for additional staff and/or equipment was not anticipated in connection with the proposed redevelopment. In an interview in July 2021, Chief Little stated that the Department is comfortable with the development as proposed and is looking forward to same revitalizing the downtown.

Fire Department:

Beacon Planning was able to contact Chief Everett Seaman of the Toms River Fire District 1, who responded via email to questions regarding capacity and services. Chief Seaman

stated that Fire District 1 is a volunteer organization that is currently adequately staffed, but always recruiting new members. They also have reciprocal agreements with adjoining communities.

EMS:

BPCS contacted Mr. Paul Daley of the Toms River Township Emergency Management Office, who responded to our inquiries regarding the Township's EMS service. He noted that the service is a combination of paid and volunteer members. Mr. Daley responded that the existing EMS service has the capacity to service the proposed project.

Public Works:

BPCS does not anticipate impacts to the Public Works Department with respect to snow removal and road maintenance, as the adjoining roadways exist and are proposed to remain nor with waste pick-up and disposal. Commercial waste haulers will presumably be hired by the retail/commercial tenants of the proposed development. Costs associated with residential waste collection and disposal will be the responsibility of the redeveloper/property owner.

Water and Sewer Services:

BPCS contacted the Toms River Municipal Utilities Authority. Per correspondence dated May 4, 2020 and prepared by Courtney Jacquemot, there is sufficient conveyance capacity to provide sanitary sewer service to the project.

With respect to water service, BPCS contacted a Suez Water representative, who indicated that the Township has an ample water supply. BPCS was not provided the name of an engineer to verify existing infrastructure.

COST/REVENUE ANALYSIS

Thus in terms of identified costs see Table 4.

Table 4:

Meridia Waterside at Toms River Anticipated Fiscal Impact - Year 1 Toms River, New Jersey		
	Estimated Range	
	Low	High
Total Population Growth	510	
Public School Children	35	50
School District Costs	\$ 278,250.00	\$ 397,500.00
Municipal		
Police - Staff/Equipment	\$ -	\$ -
EMS	\$ -	\$ -
Other Municipal	\$ -	\$ -
Total Overall Costs	\$ 278,250.00	\$ 397,500.00

The ASC is estimated to generate ~\$392,747.00 in revenue. Land taxes have been exempted for the proposed project within the Financial Agreement; therefore, of the anticipated \$392,747.00 ASC, 95%, or ~\$373,110.00 will benefit Toms River with the remaining 5%, or ~ \$19,637.00, benefiting the County.

Pursuant to our analysis, costs are anticipated at approximately \$278,250.00 to \$397,500.00 per year consisting of costs to educate anticipated public-school children generated by the project. Therefore, revenues, may approach or exceed costs to the community. Our discussions with local police, fire and EMS staff as well as other municipal services resulted in the conclusion that no additional infrastructure or staffing expenses are anticipated. Likewise, the proposed development will cover its own costs for trash removal.

There are also intangible economic benefits associated with the project that should be given consideration, especially considering that this project would be the pioneer redevelopment project in the Phase 1 Waterfront Redevelopment Area and serve as a “primer” for investment in privately owned property on adjacent blocks. These economic benefits include increased population with disposable income to support local merchants and businesses, including restaurants, retail stores and service providers. There will also be an increased pool of volunteers for the fire department, first aid squad, and recreation programs. Finally, the project will provide affordable units, which will help the Township meet its affordable housing obligation.

CONCLUSION

The analysis herein has been supplemented with information regarding the adequacy of existing facilities and services.

There are numerous intangible benefits that the community will accrue, including the following:

- Redevelopment of vacant and/or underutilized properties within the downtown of Toms River bringing renewed vitality to same;
- Opening up of the waterfront for public enjoyment;
- A diversification of housing within the community;
- Increased support for local businesses;
- Community revitalization and loyalty;
- Incentivizing investment in redeveloping private property within the Redevelopment Area;
- Maintain and expand the community volunteer pool; and
- Contribute towards the Township's affordable housing obligation through the provision of 43 two- and three- bedroom affordable apartment units.

Our findings and opinions are based on information provided by third parties and are subject to the limitations imposed by the providing parties. All information furnished and analyzed is from sources deemed reliable, but no warranty or representation is made as to the accuracy thereof and same is submitted subject to errors, omissions and changes. We reserve the right to amend our findings if new or updated information is provided or uncovered. We do not assume the responsibilities of the design professionals. Our services are being rendered solely as an advisor. This report is intended to be read in whole. Information provided in the various sections is complementary and, in some instances, provides additional explanation of information concerning the assessment. Therefore, interpretations and conclusions drawn by reviewing only specific sections are the sole responsibility of the user.