

**Joint Environmental Commission – Open Space Meeting, May 25, 2010,  
7:30 p.m.**

Present: Ernie Andreoli, John Cronce (arriving at approximately 8:30 after the Zoning Board meeting), Pete Hess, Joseph Kowalski, Sean Pfeiffer, Alison Sommers-Sayre, Cathy Urbanski.

It was noted that the recording equipment was not available for the meeting due to the Zoning Board meeting. Cathy Urbanski agreed to maintain the record for this joint meeting.

The Environmental Commission had asked that the Open Space Committee and the Finance Committee meet with them to discuss the pros and cons of the proposed reduction in the open space tax (from 6 cents to 4 cents). Mayor Molnar approved this joint meeting. The EC had planned to write a letter to the Township Committee, but decided that a balanced letter to the public would be more educational.

Sean explained that currently there is approximately \$2.2 million in the Open Space trust fund and \$220,000 is still pending for receipt from the County and pending also is the sale of Toll and the reimbursement for Kilmer. The open space tax now covers debt service through 2026, over \$300,000/year. If the tax were reduced to 4 cents, somewhere between \$1.5 and \$1.6 million of the current Open Space trust would be need to be set aside to cover debt service. This would severe limit new acquisitions through 2026, essentially shutting down the current preservation program. Sean had spoken with CFO Jane Luhrs about this and she concurred with the debt service estimates.

The members present made the following calculation based on the average home assessment (\$450,000) in the township:

\$275 tax, if 6 cents  
\$182 tax, if 4 cents  
\$93 tax reduction

The members made the following calculations based on studies presented by ANJEC\* and using the average home assessment (\$450,000) and tax for the average assessment (\$9000). This calculation assumed that there would be no more open space acquisitions. Calculations were based on 100 homes being built, a conservative estimate, between now and 2026 and based on the projected 2010-2011 tax rate.

Cost in increased services per new home - \$15,000 (\$9000 X 1.67 approx.)  
Tax generated by new home - -\$9,000  
Additional cost for services per new home \$6,000  
X 100 new homes, = \$600,000

Divided by 1,100 homes = \$545 additional tax per household.

Pete questioned why the OS committee in the past incurred debt for acquisitions. Sean explained that the prior committee bonded for some projects in order to “jump start” the program. It was also noted that future residents would be enjoying the benefits of preserved land and should share in the cost.

Sean presented a chart of projects in the pipeline and potential projects. Discussion followed. It was noted that in the last several years, a significant amount of homeowners have expressed possible interest in preservation.

The group agreed to meet again in June to discuss these matters further. The Open Space committee continued with a special meeting, minutes of which are recorded separately.

\* (Quoted from ANJEC Report): “Communities and counties across the state and nation are finding that single-family residential tax rates don't cover the costs of municipal services, community infrastructure and local schools. Studies show that for every \$1.00 collected in taxes, residential development costs up to \$1.67 in services -- and these costs continue forever, generally increasing over time. Even including the initial cost of acquisition, open space is less costly to taxpayers over both the short and long term than development of the same parcel. The major public costs to preserve natural areas are finite, often paid by a bond or loan over 20 years.

Studies show that residential development costs the municipality more in educational and public services than it generates in tax revenue. Over time, even commercial rates may not provide anticipated tax relief.

In the long term, municipal investment in open space and farmland is usually less costly than allowing development.”