



CHRISTINE A. COFONE, PP, AICP  
*Principal*

**COFONE CONSULTING GROUP, LLC**

**COMMUNITY IMPACT STATEMENT IN SUPPORT OF A SITE PLAN  
APPLICATION FOR BLOCK 808, LOTS 5-8 IN THE TOWNSHIP OF NEPTUNE,  
MONMOUTH COUNTY, NEW JERSEY**

Prepared for:

GSZ REALTY, LLC

Prepared by:

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The original of this report was signed and sealed in accordance with N.J.A.C 13:41-1.2

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### **PROPOSAL**

GSZ Realty, LLC is proposing the construction of a mixed use development on Neptune Township Block 808 Lots 5, 6, 7, and 8. The development would consist of a four (4) story building which will house a 4,250 SF commercial space on the first floor, and a total of 42 residential units.

Other supporting site improvements include providing a total of 97 parking spaces, site lighting, landscaping, stormwater management facilities. The total area of impervious surfaces in the proposed condition is 47,188 SF (1.07 acres), and the total area of disturbance is 66,659 SF (1.53 acres).

### **LOCATION**

The subject property is currently bound Route 35, West Bangs Ave, and Monroe Ave. The existing parcel consists of Neptune Township Block 808, Lots 5 through 8. The site is currently comprised of asphalt along the southern portion of the site and a mix of grass and overgrown vegetation. The property has numerous curb cuts for the previous driveways to this property. The total project area is 58,677 (1.35 acres).

### **ZONING AND MASTER PLAN REVIEW**

The property is located within the B-1 Town Commercial Zone in the Township of Neptune. Though the FAR is exceeded and relief is required for the parking setback requirement of 10 feet<sup>1</sup>, the project complies with building height, yard setbacks, and other bulk regulations. "Mixed use" (residential over retail) is a conditional use and the proposal meets all requirements.

The proposal will advance the stated purpose of the B-1 Zone, as follows:

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<sup>1</sup> 11 of the spaces have a 5.5' setback.



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*The B-1 Zone District intends to serve the needs of specific surrounding residential neighborhoods by providing for retail sale and service uses. The need to complement and preserve the character of the surrounding residential neighborhoods is paramount.*

The application will also advance the following goals and objectives from the 2011 Master Plan:

- 1. To advance the purposes of the Municipal Land Use Law as contained within NJSA 40:55D-2.*
- 2. Promote a balanced variety of residential, commercial, industrial, recreational, public and conservation land uses.*
- 5. Promote aesthetic and site improvements in the Township's major commercial and industrial areas.*
- 8. Maintain a balance between residential and non-residential uses to ensure a stable and sound community tax base and provide local employment opportunities.*

The application likewise advances the following goals and objectives contained within the 2011 Land Use Element:

- 1. Protect existing residential neighborhoods of the Township and promote reasonable and appropriate nonresidential development in specific targeted areas.*
- 2. All future development will be of high quality with specific attention to historic development patterns that characterize Neptune Township.*
- 3. Provide a balanced land use pattern that preserves residential neighborhoods, strengthens the vitality of commercial districts, preserves parks and open spaces, protects environmentally sensitive natural features, accommodates community facilities, and enables local and regional circulation.*



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*9. Promote an expanded and diversified economic base to the maximum extent practicable.*

### **POPULATION IMPACT**

The development includes 42 residential units (18 one bedroom and 24 two bedroom). Utilizing the 2018 Rutgers University Center for Urban Policy Research demographic multipliers, it is estimated that the development will generate a population of 85.

### **SCHOOL IMPACT**

Utilizing the 2018 Rutgers University Center for Urban Policy Research demographic multipliers, it is estimated that the development will generate 12 public school-age children, that when distributed throughout all grades, will have a de minimis impact on the school district.

### **MUNICIPAL FACILITIES AND SERVICES IMPACT**

The proposal will generate activity typical of a modern mixed-use development. Impacts to municipal facilities and services are expected to be of a minimal nature and will have no substantial impact. The applicant will comply with all applicable building and fire codes. As the property owner will contract with a private hauling company, there will be no impact to municipal solid waste services. The site will utilize municipal water and sewer, and the demand on both services will likewise be minimal. The property owner will maintain all internal accessways and there will be no impact on the municipal public works department.



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### **FISCAL IMPACT ANALYSIS**

#### *Projected Tax Revenues*

The developer estimates the value of the total project to be \$12,402,500<sup>2</sup>. For the purposes of this analysis, applying the Township's 2021 equalization ratio of 95.53, the tax assessment of the completed development is approximated to be \$11,848,108. The table below depicts the tax categories and applicable tax rates.

<b>CATEGORY</b>	<b>TAX RATE PER \$100 (2020)</b>
Municipal	0.742
Library	0.033
School	0.974
County Purposes	0.237
County Health	0.005
County Open Space	0.028
<b>TOTAL</b>	<b>2.019</b>

The project will generate approximately \$87,913 in tax revenue for municipal purposes, \$4,092 for the library, \$120,801 for the school district, and \$33,487 for the county.

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<sup>2</sup> Per the applicant.



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### *Projected Municipal Costs*

#### **Residential**

The 2020 level of municipal appropriations in Neptune is \$35,834,462. However, 71% is raised through local tax revenue, with 29% from other sources, resulting in \$25,442,468 of the budget directly from local tax revenue. Of that share, since residential property accounts for 92% of the total tax base, it is estimated that about \$23,407,071 in municipal expenditures can be attributed to residential uses. Based on Neptune's 2019 Census estimated population of 27,384, it is estimated that each resident in the Township demands \$854 in municipal spending.

However, residents in a self-contained residential community typically utilize fewer municipal services than other residents. For instance, services such as sanitation and snow removal will be handled privately by the development's property management, and therefore will not demand additional services from the municipality. Therefore, it is reasonable to assume that residents of the proposed development will demand approximately 60% of the total \$854 per capita cost, which is approximately \$513 per resident. The \$513 per capita cost was utilized to factor the estimated municipal services cost.

With an estimated 85 people in the proposed development, municipal expenses will increase by \$43,605.

Based on the budgeted cost per pupil estimated in the 2018-2019 Neptune School District budget (\$16,767)<sup>3</sup>, the project would generate \$201,204 in costs to the Neptune Township School District. However, Neptune Township is a district within the New Jersey Schools Development Authority (SDA). Therefore, any potential increased need for facilities would be funded through the SDA.

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<sup>3</sup> This is the most recent data available from the New Jersey Department of Education.



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### Commercial

This section analyses the costs that the municipality would incur as a result of the proposed development. The methodology is based upon The New Practitioners Guide to Fiscal Impact Analysis by Robert Birchell, David Listoken and William R. Dolph of the Rutgers University Center for Urban Policy Research, 1985. This analysis relies on readily available local tax and property data, as well as “refinement coefficients.” The two sets of refinement coefficients are employed to improve the accuracy of the Proportional Valuation Method. They are derived from retrospective analyses, which compared the actual expenditures generated by the development to those projected using a simple proportional valuation strategy.

1	Municipal appropriation/expenditures	\$ 31,220,939
2	Total property valuation	\$ 4,037,303,900
3	Total number of parcels	10,560
4	Total nonresidential property value	\$ 688,722,000
5	Total number of nonresidential parcels	770
6	Average valuation per parcel (2/3)	\$ 382,320
7	Average nonresidential valuation (4/5)	\$ 894,444
8	Proposed nonresidential project valuation	\$ 1,015,006
9	Average nonresidential valuation to total average valuation (7/6)	2.34
10	Project valuation to average nonresidential valuation (8/7)	1.36



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11	Proportion of Nonresidential valuation to total valuation (4/2)	0.171
12	Refinement coefficient (from Burchell graph) Use Item 9 and Upper Band	1.27
13	Total existing municipal expenditures attributable to nonresidential uses (1x11x12)	\$ 6,780,251
14	Proportion of proposed nonresidential project to existing nonresidential valuation (8/4)	0.002
15	Refinement coefficient (from Burchell graph) Use Item 10 and Lower Band	0.27
16	<b>Municipal Costs Allocated to the Proposed Nonresidential Project (13x14x15)</b>	<b>\$ 2,698</b>

Utilizing the proportional valuation method, the total municipal costs are estimated at \$2,698 annually.

### *Impact*

For the municipality, there will be a positive net revenue flow of \$44,308 under the current municipal tax rate and budget conditions. For the school district, there will be a negative net revenue flow of \$80,403 under the same conditions as the municipal purposes. However, as noted above, Neptune Township is a district within the New Jersey Schools Development Authority. Therefore, any potential increased need for facilities would be funded through the SDA.





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### **CONCLUSION**

The analysis indicates that the proposal is not expected to significantly impact municipal services and will generate a positive revenue flow to the municipality

The application will also promote and advance numerous economic goals of the Master Plan and Land Use Element, including but not limited to:

- *Promote aesthetic and site improvements in the Township's major commercial and industrial areas.*
- *Maintain a balance between residential and non-residential uses to ensure a stable and sound community tax base and provide local employment opportunities*
- *All future development will be of high quality with specific attention to historic development patterns that characterize Neptune Township.*
- *Promote an expanded and diversified economic base to the maximum extent practicable.*
- *Evaluate existing development patterns and zones within established neighborhoods and commercial districts in order to make recommendations for zoning changes if warranted, while paying particular attention to overall residential densities*