

The Winter 2008 meeting of the Green Table featured a forum on the economics of open space, exploring how an investment in open space could affect a municipality's budget and tax revenue. The Steering Committee was led to consider this question following the attacks made on open space spending during the debate the previous autumn over Ballot Question #3, an interim funding bond issue for the Garden State Preservation Trust.

Professor Len Hamilton of Rutgers, who is a member of Long Hill Township's Environmental Commission, moderated the program and presented the background economics of open space within Morris County. In 1997, he organized and edited a book on the benefits of open space in Morris County for the Great Swamp Watershed Association, and he updated his research to detail how open space pays off for municipalities that invest in it. He remarked that open space was a regular demand of NJ residents at public hearings and in referenda. Ballot Question #3, the interim funding bond issue for open space, was not defeated despite a strong state-wide turn against taxes and bond questions. Even in unexpected areas, open space is perceived as a good by NJ citizens. In Long Hill, for example, the residents are asking for more open space, of any size, within the town's commercial districts.

Open space analysis has to consider both the increase to the value of existing development and the decrease in ratables that open space parcels will bring. A 2007 Rutgers study shows that NJ municipalities derive \$13 in added value for every \$1 spent on open space, while also seeing \$15/acre less in total tax revenues. The tax loss is offset by the reduction in services that the town has to provide, however. Open space is generally under-valued while ratables are over-valued, he has found. One good thought experiment is to consider a new ratable property as though it were an island, to help highlight the costs of connecting the new property and providing it with standard services. On the whole, towns in Morris County with a high percentage of ratable property ("ratable rich") show no property tax relief to their residents compared to towns with the smallest percentages of ratables ("ratable poor"). And even though the county added \$10 billion in ratables during the 1990s, it also saw property taxes increase 42%. At the same time, open space can provide ecosystem services (water purification, flood abatement, climate control) and ecotourism interest that pays out in ratios of up to 100:1 compared with its investments.

Prof. Hamilton asked the audience to consider open space beyond the traditional context of public lands for recreation and conservation. Zoning for open space by limiting lot yields can be remunerative as well, he said, citing a finding in the Rutgers study in which Long Island communities switching from 1-acre to 2- or 3-acre zoning experienced a 16.7% increase in their tax base. He also presented a case from Long Hill, in which a traditional 21-unit development was replaced with a smaller, more-high-priced design that better respected environmental constraints on the site and generated fewer service demands (mainly from the schools) while offering similar tax revenues to the Township. The open space design converted a potential \$210,000 cost into a \$81,000 tax benefit and won a design award from the Ten Towns Committee, a watershed association.

Overall, northern NJ residents are less satisfied with their surroundings than residents of southern or western urban areas are, mainly due to the presence of sprawl and congestion. Prof. Hamilton offered open space as an antidote, provided it can be perceived and creatively converted in rural, suburban, and urban areas. In response to a question about lack of open space alternatives, he mentioned Seattle's experiences in opening space within neighborhoods such as pocket parks and small, planted traffic circles, as well as strips left after major developments, such as a triangular patch stuck among highway ramps that is now a popular sculpture garden.

Mr. Tom Russo, assistant town manager of Randolph Township, introduced his town's trail system, a 15-mile network that connects the smaller hamlets within the Township to each other as well as reaching out to neighboring towns and joining up with the County's Patriots Path trail. Mr. Darren Carney, the Township planning/zoning administrator, gave the history of Randolph's trails, from the original Lenni Lenape trails that became the major roads as the town developed, through the first studies in 1976 that identified circulation patterns among the town's neighborhoods, and up to the latest master plan revision in 2002 that documented how open space was acquired and where the paths and greenways were needed to connect communities and residents together. Mr. Steve Bury, the Township Engineer, covered the physical construction and design issues of laying the trails on the ground, including the adaptation of NJDOT standards (10' width) to the realities of Randolph's parks and user needs (8' multi-purpose, proposed 4' pedestrian-only). He thoroughly examined the various choices faced and contractor supervision required to navigate the to-be-expected surprises (wet spots in upland stretches) in going from concept to open and well-received recreation. The best measure of their success has been the conversion of nearby homeowners from skeptics to trail proponents. Mr. Russo concluded the presentation by listing the many benefits to Randolph's quality of life brought by the trails, even if the exact dollar amounts have not been calculated. The direct annual cost to the Township is a modest \$10,000, Mr. Bury pointed out in answer to a question from the audience, although indirect costs exist inside of other budget lines, since DPW workers are used for trail clearance and maintenance.

Ms. Kathy Murphy, grant coordinator for Mt. Olive Township, discussed her town's efforts to use a noted open-space feature, the Morris Canal, as a focus for forming public/private partnerships to the benefit of both. Relying on the demonstrated value of public parks, as seen in the success of drawing 2-3,000 participants to festivals and sports events held in Turkey Brook Park, Mt. Olive has made an effort to organize and plan redevelopment efforts as inclusive of open space design elements. While the Township is faced with challenges of meeting COAH obligations and potentially rehabilitating or remediating older sites in the International Trade Zone, it has many potential resources upon which to draw, including historic sites like the Canal and Waterloo Village, outdoor attractions like Allamuchy State Park, and the necessary support systems like hotels and transportation (train stations, major roadways) in place. The trick is to find a unifying theme to bring them, the Township, and the private developers together. Using the Canal (the best preserved undrained section of which lays in the eastern section of Mt. Olive) as a focal point succeeds in meeting objectives as otherwise unrelated as preserving the Township's history and enhancing its ratables. When asked in public hearings what its residents would like to see in Mt. Olive, they have responded with strong enthusiasm for open space and with the hope that a way to connect to it would be created. Trails and greenways thus fit several of Mt. Olive's municipal needs, she noted.

In the question-and-answer portion of the forum, Prof. Hamilton moderated a spirited discussion on the (mis)perceptions of open space. Several concerned attendees from Morristown brought up the issue of their voters turning down an open-space tax in November, based on a public feeling that open space imposes a tax burden and really benefits the wealthy more than lower income residents. They called into question Prof. Hamilton's example of the award-winning Long Hill development, where luxury homes replaced more modest dwellings. In reply, he argued that open space provided a lower tax burden through reduced services costs, as well as reduced acquisition costs when state and county grants are included with the municipal contribution. Ms. Murphy also commented that the availability of public parks for fundraising activities helped the private athletic associations find funding and reduce fees for lower income families, in place of having the town assume the burden of covering the cost of their participation. Another audience member asked how reliable are the cost estimates for non-family residential development, such

as age-restricted housing, given the possibility that they can be repurposed. Prof. Hamilton agreed that builders often sought "relief" from restrictions and could pose tax burdens not included in the initial approval decision-making. He stated a preference for "age-targeted" development, in which smaller square footage would reduce the likelihood of repurposing for family uses. In a similar way, responding to a different question, Mr. Bury observed that illegal ATV use on trails could be discouraged by choosing material that made riding less enjoyable due to roughness of the surface, adding a passive protection to the active patrolling to stop trail degradation by off-road vehicles. Ms. Ingrid Vandegaer, NJCF, commented that public spaces served very directly to create the sense of community that many municipalities hope to foster, as witnessed by the many gatherings held in parks as memorials following the September 11 World Trade Center attack, a sense of community that crossed many individual distinctions. Inspired by her words, I offered a summary of the forum presentations as examples of how open space advocates had both the right feelings and the right facts on our side; it was just a matter of teaching them to others now that we, ourselves, had been so ably instructed. Prof. Hamilton then concluded the forum with his own exhortation for a new vocabulary of sustainability to be adopted, one in which construction would not be labeled "improvement" and where present-day problems would not rely on assumptions of future growth to fix them.

- Eugene Reynolds