

Using \$13 million in NJ State funds, Carteret built the Peter Sica Memorial Highway (formerly Industrial Highway) between 1987 and 1991. Extending from the Interchange at Exit 12 to the Carteret - Woodbridge border and following the path of the Rahway River and Arthur Kill, it was designed as a "beltway" to divert industrial traffic away from residential neighborhoods.⁷⁴ The concept of an "industrial beltway" dated back to the 1960's⁷⁵ and, according to that plan, the Peter J. Sica Industrial Highway was incomplete. At the time, for the road to be a true beltway, it would have to be extended to meet Port Reading Avenue in Woodbridge, creating a loop from Exit 12 through to Port Reading Avenue.⁷⁶ Through collaborative efforts, Woodbridge and Carteret completed the link with ProLogis, the developer of the Port Reading Industrial Park, paying the \$15 million cost of the roadway extension.⁷⁷

Leveraging its central location in the Portfields, the funding invested in the Turnpike improvements, and the role the Peter Sica Industrial Highway is to play in linking up distribution facilities from Woodbridge to Linden, Carteret obtained a \$2.079 million federal grant in 2004 to upgrade the roadway and another \$2.08 million in 2009 to improve it by enhancing two intersections at Sica Highway and Roosevelt Avenue. Upon completion of this work, Middlesex County will take over maintenance of the road.⁷⁸

The importance of completing the "Beltway" is that it links the industrial areas of three municipalities into an overall regional industrial network. Anchored by Port Newark/Elizabeth and the NJ Turnpike, the "Beltway" directly connects the distribution capacities of Woodbridge, Carteret and Linden to the NJ Turnpike, and through that, to Newark's points of entry and the entire Northeast Corridor. The connection created by the beltway will result in added value to the occupant. This added value translates into higher desirability, rents and ratables for all the municipalities, especially the one in the middle, i.e. Carteret.

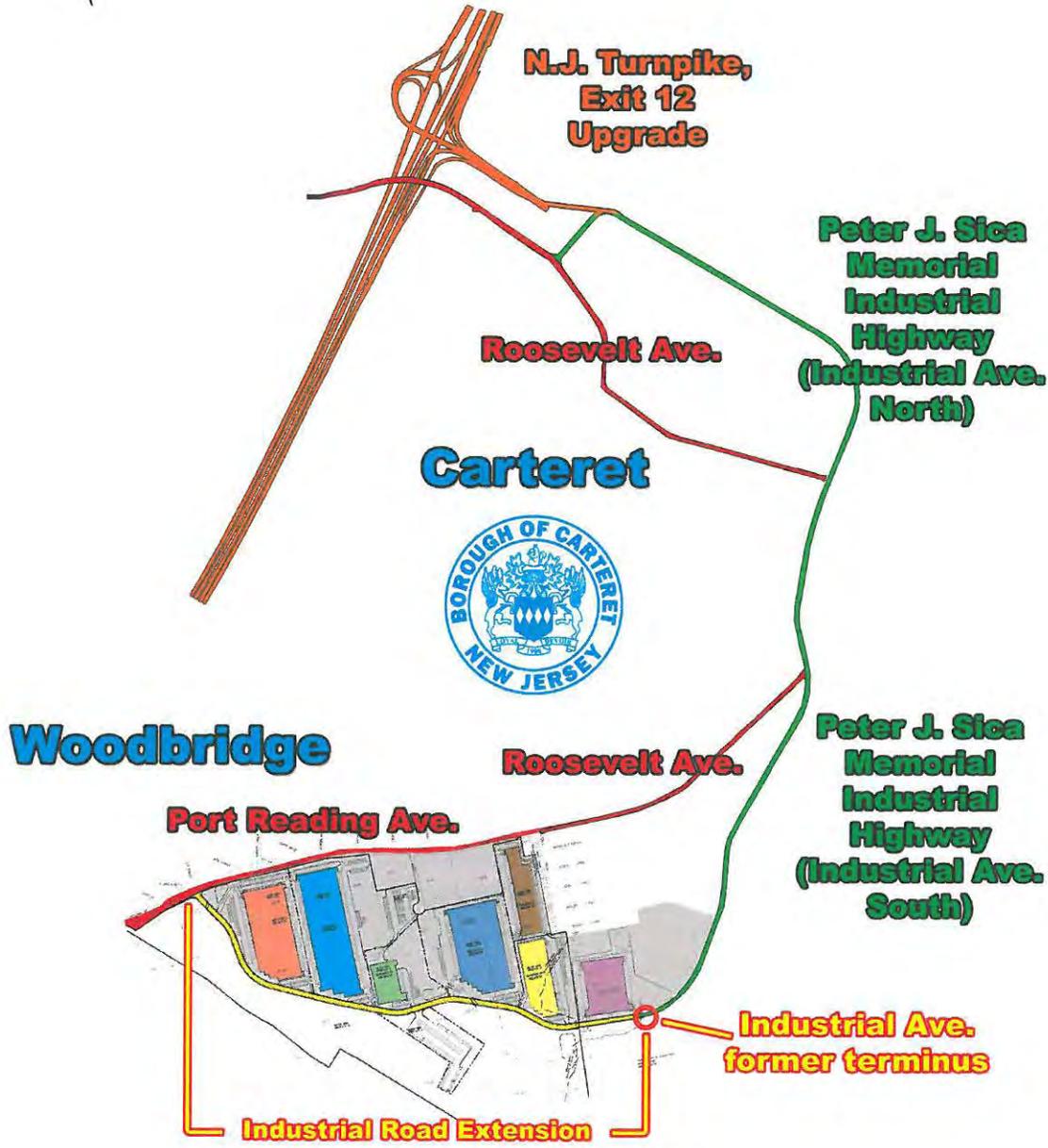
⁷⁴ Anthony Gallotto, "Carteret Ready to Unveil New Industrial Road," Newark Star Ledger, October 11, 1991.

⁷⁵ Master Plan for Carteret 1964, Page 16-17.

⁷⁶ Anthony Gallotto, "Carteret Truck Bypass: Mayor Turns Attention to Roosevelt Avenue Bottleneck," Newark Star Ledger, October 17, 1991.

⁷⁷ Woodbridge NJ Press Release, "Industrial Highway Extension in Port Reading," December 14, 2007.

⁷⁸ Carteret Municipal Budgets, 2004 and 2009.



CARTERET / WOODBRIDGE INDUSTRIAL AVENUE

3. Ferry Terminal and Adjacent Waterfront District Redevelopment

Carteret's relationship with the water has historically revolved around commerce and freight transportation. Over the past 50 years, as container shipping concentrated water traffic into a few major ports, the waterfront has fallen into disuse. As an outgrowth of the "New Urbanism" movement and Smart Growth, new uses for the waterfront have been explored, with recreation and commuter transportation attracting the most attention.

Plan 2035 identifies ferries, primarily those crossing the Hudson River, as having ongoing issues with economic viability and competition with commuter railroads for rider subsidies and expansion⁷⁹. As stated in Plan 2035:

"Augmenting the regional bus and rail transit system, passenger ferries provide a travel alternative for some 30,000 riders between New Jersey and Manhattan each day. Three ferry operators serve 18 different piers, handling as many passengers as more than 600 buses. The majority of ferries operate short routes across the Hudson River but there are also routes from Monmouth County accessing Manhattan in under one hour. Ferries build important flexibility and redundancy into the transportation network... The current recession has worsened long-standing financial difficulties facing ferry operators. The region's largest ferry operator, New York Waterways, reportedly has experienced a 12 percent ridership decline in February 2009 from a year earlier, to 26,400 daily commuters. Estimated ridership by all operators shows a 16 percent decline from April 2009 over the same month in 2008. This declining ridership has once again raised the issue of expanding public support to include subsidies for ferry operations. This would help hold down fare increases and ensure continued service on core routes needed to preserve the flexibility and redundancy ferries provide to the transportation system. However, funding limitations—including a pressing need for transit operating support as reported in Chapter 8—make providing public operating subsidies problematic. Moreover, limiting public support to capital funding is consistent with long-standing policies relating to key private bus services around the region. Still, the region should explore tax incentives and other non-subsidy approaches to supporting the services in the near- to mid-term. Capital funding should also continue. Capital improvements such as restored ferry slips in Hoboken, now under construction, as well as upgraded road and transit access could bolster ferry ridership. As the economy recovers, new services from other locations around the region should be explored."

In 2004, Carteret entered into a redevelopment agreement with Carteret Landing with the intent to anchor a 3,000 luxury residential and mixed-use developments with

⁷⁹ Plan 2035, Page 76.

ferry service to Manhattan. The area involved is located along Middlesex Avenue and encompasses two existing warehouses and the site of a former DuPont chemical plant. DuPont and Carteret are currently negotiating a settlement for its parcel. In addition, Carteret has obtained 17 acres of waterfront along the Arthur Kill with the intent of attracting a ferry operator and having a terminal constructed to accommodate passenger ferry traffic. A marina and other collateral waterfront development are also envisioned along with attractive residential and open space. Such a project fills multiple purposes, such as:

- Attracting people to Carteret beyond the 9 to 5 commercial working hours;
- Improving open recreational space for people in Carteret;
- Acting as a draw for people to live in Carteret outside of its proximity to jobs and NYC;
- Diversifying Carteret's commercial base beyond logistics, warehousing and distribution.

When complete, Carteret Landing will be another means to attract taxpaying residents to the Borough. As it grows, it will draw other developments, thus creating clusters of well managed, taxpaying developments replacing dilapidated brownfields.⁸⁰ Additionally, the ferry will attract commuters just like commuter rail, which Carteret lacks. What makes it remarkable is that Carteret was able to obtain \$2.8 million for planning and related preliminary work (\$1.4 million in Green Acres and \$1.4 million matching) for a single stop ferry (Carteret - NYC and vice versa). The rationale was that this ferry would be "an alternative to roadway usage." Currently the NJTPA lists potential ferry stops as Edgewater, Port Elizabeth (Jersey Gardens), and Sandy Hook⁸¹.

4. Railroad Capacity and Status

Carteret is part of the "Chemical Coast Rail Line," which is improvement area #9 on the NJTPA long range plan and closely related to the improvement areas around the port. With an emphasis on freight and lacking any capability for commuter rail, Carteret is not listed as a priority per the NJTPA transportation improvements. The NJTPA focuses on rail improvements that aid existing commuter rail, such as constructing the new Hudson rail tunnel and retrofitting/replacing various bridges throughout the region. Carteret's freight rail is a low priority since it is superseded by other competing priorities.

⁸⁰ Carteret NJ, "Carteret Landing Redevelopment Agreement," Synopsis.

⁸¹ Plan 2035, Page 76-77.



Photo 25. Rail line located in Federal Boulevard Redevelopment Area.

Regionally, the following citation in the NJTPA plan details where improvements would be made in the freight rail system:

“IMPROVING FREIGHT MOVEMENT BY RAIL identifies locations where these freight-related infrastructure strategies will most effectively support regional goods movement. The facilities in the port area have been greatly developed over the past 100 years and will continue to play a critical role in the region’s growth. Among the key needs for improving port access will be addressing inadequate clearance under the Bayonne Bridge and improving roads, possibly through grade separations or exclusive truck routes. Beyond the port area, the map highlights a broad “Core Freight Facilities Area” representing the concentration of cargo facilities, warehouses, custom firms, intermodal facilities and railyards in Bergen, Essex, Hudson, Middlesex, and Union Counties. Improvements here should focus on meeting future freight movement and warehousing needs through enhanced network connectivity, intermodal freight facilities improvement and development, intelligent transportation systems and warehouse expansion.”⁸²

B. Local Roadway Improvements

In addition to the improvements made to the Peter J. Sica Industrial Highway (\$2 million + \$ 2.1 million through TEA-21), Carteret obtained the following Grants from the NJ Transportation Trust Fund (NJTTF) for Roadway improvements:

Table 20
NJ Transportation Trust Grants
Local Roadway Improvements
Carteret, New Jersey

Year	Funding Received
2000	460,000
2001	360,000
2002	219,000
2003	344,000
2004	224,000
2005	385,000
2006	210,000
2007	255,000
2008	260,000
2009	310,917

Total NJTTF = \$3,027,917 + \$485,000 (Pending)⁸³

⁸² Plan 2035, Page 43.

⁸³ Carteret NJ Municipal Budgets 2000-2009.

The NJ Department of Transportation distributes grant money to municipalities based on the following priorities, listed in order of importance:

1. Condition of road
2. Whether the road is a collector road (primary arterial) and the traffic volume of said road (more traffic means higher importance)
3. Whether the road is a bus route or a school route
4. Population density of the area being served

Carteret's population density and accessibility to the NJ Turnpike, combined with its numerous arterials in need of corrective maintenance, have justified its receipt of grants. What has differentiated Carteret from other municipalities over the past 10 years is its diligent pursuit of grant money, which has enabled Carteret to promote a comprehensive roadway improvement program. NJDOT money combined with developer assistance (in the case of the extension of Industrial Highway to Port Reading Avenue in Woodbridge) enabled improvements of the major local arterials. This, in turn, has allowed more local funding to go towards neighborhood street improvements, promoting the ability of Carteret to pursue grants for those as well.⁸⁴

1. Roadway Improvements 2000 - 2003⁸⁵

In 1999, Killam Associates Engineers prepared a comprehensive municipal evaluation for Carteret. In that report, 52 streets were identified as being in need of immediate work, ranging from repair to reconstruction. Action taken was varied as some streets were incompletely repaired while others were over repaired. Since 2004, only six streets on this list (Industrial Road South, Sharot, Holmes, Willow, Hermann, Jesse, Romanowski) were addressed as comparable priorities. Most of the local roadwork plans addressed other, higher priority streets.

According to the Killam report, the following streets remain unimproved and are ineligible for future NJDOT AID:

Louis, Harrison (South), Bergen, Holly, Taylor, Fillmore North, Irving, Sycamore, Ash, Arthur, Grant, High, Whittier, Skitka, Virginia, Bryla, Heald, Mulberry = 29,025 LF

Additionally, the following streets remain unimproved, but are eligible for future NJDOT AID:

Wedgewood, Cherry, Jackson (South) = 7,800 linear feet (LF)

From 2000 to 2003, the following streets were rehabilitated:

⁸⁴ Stan Slatska and Don Norbut Interviews, T & M Engineering, Middletown NJ, April – June 2010.

⁸⁵ Killam Associates, "Summary of Critical Needs," Municipal Roadway Evaluation Report, Albert Beninato, PE 1999

Reconstruction (rebuild bed, then resurface): Liebig, McKinley, Dunster, Barlik (North), Oakwood Place = 3,500 LF * \$30/LF = \$105,000

Overlay (Milling, then Resurfacing Entire Road): Mathew, Oakwood, Clauss, Hastings, Sumutka, William, Edwin, Mercer = 9,625 LF * \$30/LF = \$288,750

Repair (Level Off, Patch, Resurfacing/Repaving where needed): Terminal Avenue, Industrial Avenue North (not included in estimate), Milik, Burlington, Atlantic, Cooke, Pershing (Central), Hagaman, Salem = 20,150 LF * \$30/LF = \$604,500

Total Roadway Remedied 2000 - 2003: 33,275 LF at a minimum cost of \$998,250

For Killam's "5 Year Plan," construction costs to resurface (\$30/linear foot) are initially estimated using 1999 dollars and exclude "significant base repair, ADA, sidewalk, curb and drainage improvements." Overlay and reconstruction activities result in additional cost, which are indeterminable due to a lack of available information.

The following streets, in Killam's "5 Year Plan," were remedied after 2004. The associated costs are discussed in the following section.

Industrial Road South (2007)	=	5,400 LF
Jessie (2006)	=	2,100 LF
Sharot (2008)	=	400 LF
Hermann (2006/10)	=	3,350 LF
Romanowski (2006)	=	1,900 LF
Holmes (2007)	=	950 LF
<u>Willow (2006)</u>	=	<u>2,250 SF</u>
Total	=	16,350 SF

Taking into account all the roadway footage in Killam's report, the totals are:

Incomplete	29,025 LF	or	33.6%
Incomplete Pending NJDOT Funding	7,800 LF	or	9.0%
<u>Complete</u>	<u>49,625 LF</u>	or	<u>57.4%</u>
Total Roadway in the Killam Report	86,450 LF	or	100%

Of the completed recommendations, two-thirds of the roadway linear footage was remedied from 2000 to 2003, while the remaining 1/3 was remedied from 2004 to 2009.

2. Roadway Improvements 2004 - 2009⁸⁶

According to the Public Works Annual Report, from 2004 to date, significant roadway improvements include:

1. Improved intersections at Roosevelt, Washington and Holmes

Design completed 2004; work completed in 2007 for \$155,237.50.

2. Marion Street Reconstruction Phase 2

Area involved was from Mulberry Street to Laurel Avenue, Contract Value \$181,465.65. Contract completed for \$155,000 in 2005.

3. Waterfront Park Access Road

This improved access from Industrial Road to Park Avenue. Cost \$300,000 and completed in 2005.

4. Roosevelt Avenue Streetscape

Phase 1 consisted of improvements to the West Carteret Streetscape and corrective work to the Washington Avenue Streetscape. Phase 2 consisted of improvements spanning from Terminal Avenue to the Turnpike Entrance. The Phase 1 contract was completed for \$2,360,790.00 in December 2006. The Phase 2 contract was completed for \$3,287,794.95.

5. Resurfacing Miscellaneous Streets (2005 Road Program)

Patrick Street and Coolidge Avenue, between Buchanan and Pine, were resurfaced. The intersection was widened at Pershing and Washington and the parking lot at Borough Annex/Romanowski Street was repaired. Contract completed for \$367,175 in July 2006

6. Repair Miscellaneous Streets (2006 Road Program)

Streets repaired in the first part of the 2006 Road Program included Willow between Marion and Leber, Wedgewood between Hastings and the Garden Apartments, Jackson between Willow and Carteret, and Carteret and Oak. Contract substantially completed in 2006 for \$813,689.25.

⁸⁶ Engineering Annual Reports 2000-2009 from Carteret NJ. Entire section of report is derived from these documents.

The milling and overlay by Middlesex County of Jesse Street (Chrome), and Hermann Street (West Carteret and Jackson Avenue) were included in the project. The contract was completed in 2006 for \$1,500,000.

The second part of the project encompassed "Cornell Estates," and consisted of the reconstruction and rehabilitation of Ethridge, Clover, Pinho, Spoganetz, Carlton, Sabo, Sczkurka, Orchard, Pekola, Pelik, Germak and Stima Streets. The contract was completed in 2008 for \$1,858,449.

7. Repair Miscellaneous Streets (2007 Road Program)

Monroe, Cypress, and Frederick Streets, along with part of Carteret Avenue, were improved in the 2007 Road Program. The contract was completed for \$215,263.

8. Repair Miscellaneous Streets (2008 Road Program)

Streets repaired in the 2008 Road Program were Laurel (\$108,551) + Sharot, Willow, Charlotte and Part of Carteret Avenue (\$273,000). Both contracts were completed in 2008.

9. Hermann Avenue Reconstruction (2009-2010)

Phase 1 of the project received a FY 2009 NJDOT grant for \$310,017, while Phase 2 received a FY 2010 grant \$485,002. Work to commence in 2010.

10. Carteret Avenue Upgrades

Carteret received a \$22,000 grant from FY 2007 NJDOT for Phase 1; an additional grant for Phase 2, comprising \$858,227, was applied for with no response.

11. Repair Miscellaneous Streets (2009 Road Program)

This project consisted of the resurfacing of George, Leber, Birch, Fillmore, and Harrison streets, as well as several intersections. The municipal contract value is \$210,000 and the County contract is \$100,000. Carteret received \$255,000 from a FY 2007 NJDOT grant for Phase 1. An additional \$858,227 was applied for Phase 2 with no response.

Press releases and newspaper articles, detailing the larger roadway improvement projects, cited Carteret's strategic location as the bases for approving roadway improvement grants. More specifically, approved and applied grant funding resulted in improved access and quality of life, which generates multiplier effects in the form of additional economic development. The grant funding was in addition to the approximate \$1 million annual budget allocations provided by the Carteret Municipal Budget to the Department of Public Works for roadway improvements.

PARKS, RECREATION, MUNICIPAL FACILITIES AND REVENUE STREAMS

A. Introduction

Historically, Carteret, like many towns, had numerous parks and municipal facilities, including: a public library, police and fire stations, a Public Works facility, a municipal sewer treatment plant, and City Hall. However, with the decline that accelerated in the 1990's, came the neglect and decay of these essential facilities. Using numerous reviews completed during the late 1990's, infrastructure upgrades commenced in earnest in the early part of the last decade. The efforts accelerated during the latter part of the past decade as Carteret obtained additional revenue from grants and other funding. This additional funding was generated by the influx of revenues from the new development taking place within the Borough. Those funds were intended to defray the cost of additional services required to maintain the new facilities and their occupants.



Photo 26. New basketball courts.

B. Parks and Recreation⁸⁷

Carteret currently has ten parks, many of which are "pocket" parks intended to provide neighborhoods with open space, a playground, or even ball fields. The largest park is "Joseph Medwick Park," formerly "Liberty Park," which occupies part of the Rahway River. Carteret's four largest parks, created under the direction of the 1973 Master Plan, include:

- Medwick (Liberty) Park occupies 83 acres, is completely owned by Middlesex County, and is situated in both Carteret and Woodbridge;
- Civic Center Park occupies 7.65 acres and is located at the intersection of Pershing, Harris, and Industrial Roads;
- Carteret Park occupies 18 acres on Carteret Avenue and Cypress Street, is located at the center of town, and includes the "Soldiers Memorial." Additionally, this park has the flexibility of housing a municipal service complex (i.e. Town Hall, Police, Fire, etc.).
- Chrome Park occupies 4.6 acres and provides critical open space within this densely populated part of the Borough. The park was created as part of an urban renewal effort and acquired using Green Acres funds.

The Borough's other parks include:

- Banick Park, which consists of .45 acres and is located at Roosevelt and Grant Avenues;
- Grant Avenue Park Ball fields (2.3 acres) are located adjacent to Banick Park at Grant and Hayward Avenues;
- John Street Soccer Park, which consists of 1.98 acres of soccer fields, opened in 2007;
- Shorecrest Park consists of 2.2 acres and is located on Sycamore Avenue;
- Parkview Park consists of .78 acres and is located at the corner of Ash, Willow and Coolidge Streets;
- Small Park/Playgrounds are located at Noe Street (0.9 acres) and Pinho/Orchard/Spoganetz streets. They are also used by the Board of Education.

⁸⁷ Carteret Tax Records, January 2010 and Engineering Annual Reports for Carteret NJ 2004-2009. This entire section of the report is derived from those documents. Carteret Tax Records for park sizing, and the Engineering reports for improvements.



Photo 27. New baseball field at Civic Center Park.

The parks are listed on the Borough's Recreation and Open Space Inventory and have benefited from Green Acres funding. Specifically, John Street Park was funded by Green Acres as a reclamation project and won awards for its design and implementation.^{88,89}

Besides the creation of John Street Soccer Park, implemented improvements to parks over the past ten years are listed below.

⁸⁸ Borough of Carteret Tax Records.

⁸⁹ Carteret Engineering Department Website, <http://www.ci.carteret.nj.us/content/57/214/default.aspx>.

- Civic Center Park is being restored and renovated. The park's 3 baseball/softball fields have been upgraded and feature low-maintenance artificial turf, which is credited as having a low-impact level of resilience, while preserving an authentic "look and feel." Field improvements also include new post/rail fencing, lighting, bleachers, and scoreboards. Civic Center Park will also feature the town's first "dog park," which will be accompanied by a network of new walkways and additional landscaping and trash enclosures. New restroom facilities have also been added, as has additional parking.⁹⁰
- Carteret Park is getting new ball courts, fields and other amenities. Work is ongoing with a recent grant of \$450,000 obtained to restore Sullivan Field.⁹¹



Photo 28. Pond and playground at Carteret Park.

- Carteret Pond has been dredged and restored. In 2008, work was completed and the pond was rededicated as John Sitar Pond. The improvements added

⁹⁰ Carteret NJ Press Release, April 1, 2008.

⁹¹ Carteret NJ Press Release, April 12, 2010.

approximately 35 percent to the pond's volume and 3,000 square feet to its surface area. Aesthetic improvements included the addition of an 18-inch decorative perimeter wall, an observation and recreational deck overlooking the pond, new pressed asphalt paver walking paths, and the construction of two new fountains and aerators.⁹²

- Chrome Park has new basketball courts.
- A skateboard park located behind Carteret's Police Station has been upgraded.
- Parkview Park has received ongoing improvements, including a new basketball court, and amenities like new fiber safety surfacing, benches, landscaping, and fencing, which complement the existing playground.
- Additionally, various other parks and sports facilities were established or improved.^{93,94}

Waterfront Park and Ferry Terminal

Waterfront Park was initiated as a means of anchoring the Carteret Landing project with a marina, a fishing pier and open space. Carteret Landing is envisioned to be a \$1.5 billion public transit ferry based transit village. The mixed-use community, which is expected to invigorate the Borough's economy, will include luxury condominiums and a boardwalk with restaurants and retail shops. A developer's agreement is already in place for Carteret Landing. A jitney service is proposed to provide service between residential centers and the ferry terminal. The cost of the jitney service would be borne by the owners or managers of participating housing developments through a monthly service charge of approximately \$10 per dwelling unit.

⁹² Carteret NJ Press Release, December 1, 2009.

⁹³ Carteret NJ Press Release, January 16, 2009.

⁹⁴ Carteret NJ Press Release, June 11, 2009.



Photo 29. Playground and gazebo at Waterfront Park.

For Waterfront Park, approximately 18 acres was appropriated through funding, including money obtained from the NJ's Green Acres program. The Veteran's Memorial Fishing Pier was also funded and completed. Currently, The NJDEP is reviewing Carteret's application for the necessary marina construct permits, which is slated to begin by the summer of 2010. The marina, nestled within a cove along the Arthur Kill, will host up to 250 slips with amenities when complete. In addition, the marina has led to the establishment of the town's local Port Authority.

REDEVELOPMENT INITIATIVES SPURRING ECONOMIC STIMULUS AND GROWTH:
HOW ONE NEW JERSEY COMMUNITY WAS REBORN
A CASE STUDY OF THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY



Photo 30. View of pier at Waterfront Park.

The park is an ongoing effort and is being developed in tandem with the brownfield remediation, reclamation, and redevelopment activities taking place on the near-by DuPont, Mobil Chemical and Agrico sites. Through the NJDEP and NJEDA Hazardous Discharge Site Remediation Fund (HDSRF), these properties, as Brownfields, qualify for up to \$5 million annually in BDA funding for the next five years, starting in 2009, which will be applied for on a site-by-site basis. Funding will include 100 percent of the environmental investigation cost and 75 percent of the remedial action work necessary for the properties to be beneficially redeveloped. The program, which provides grant to public entities for Brownfield site cleanup, is the only one of its kind in New Jersey. Under the BDA approach, the NJDEP works with selected communities affected by multiple Brownfield sites to simultaneously design and implement remediation and reuse plans. The BDA approach enables site investigation, remediation, and reuse to occur in a coordinated fashion. In the process, various stakeholders, including owners of contaminated properties, potentially responsible parties, developers, community groups, technical experts for the local government and residents, are invited to participate in this cleanup and revitalization approach.⁹⁵

Expansion of Summer Recreation Programs

More open space presents the opportunity to expand recreational opportunities within the community. For example, Carteret has been showcasing its newly revitalized parks since 2006 by expanding its summer recreation programs. Offerings include:

- Two outdoor summer concert series, which have grown in popularity and attracted both residents and visitors from out of town;
- The revival of summer sports programs, such as the Youth Softball Camp and the Basketball Midsummer Classic Tournament;
- An “open microphone” Coffee House series that will allow both local and regional performers to showcase their talents on Saturday nights. Performances will include music, dance, drama, poetry, and fiction, performed live by both amateur and professional artists in a relaxed, impromptu setting;
- “Friday Night at the Movies” series will be hosted at the town’s community center and feature both family and teen nights with a range of recently acclaimed films;
- Other programs include youth arts and crafts and the state-sponsored summer lunch program for school aged children.

⁹⁵ Carteret NJ Press Release, May 28, 2010.

These programs cater to residents, of all ages, who have demonstrated an interest in the arts and culture and desire an outlet for their substantial creative energies. The summer recreation programs have been tailored to accommodate a greater range of interests and talents than in previous years and can benefit from the expanded public resources for recreation and learning.⁹⁶



Photo 31. View of band shell at Waterfront Park

Overall Funding for Parks

Parks are funded not only by grants, developer contributions via impact fees, and local budgeted funding, but also by a special open space levy, which was approved by referendum in November 2004. The referendum significantly increased available resources with which to establish and maintain local parks, playgrounds, and ball fields by adding 2¢ per \$100.00 of assessed property value to town property dues. Carteret is addressing a critical lack of park and recreation facilities, noted in the

⁹⁶ Carteret NJ Press Release, July 21, 2008.

1973 Master Plan and funded through the aforementioned resources, by expanding and restoring parks and open space.



Photo 32. Volleyball and horseshoe courts at Waterfront Park.

Total funding for Carteret parks projects to date⁹⁷:

2003:	
NJDEP Green Acres	\$500,000
DCA Recreation	\$250,000
Clean Communities	\$15,620
Middlesex County Open Space	\$1,000,000
Local Contribution (Ordinance #03-01)	\$793,000
2004:	
DCA Recreation	\$434,762
Middlesex County Open Space	\$150,000
Clean Communities	\$16,200
Blue Claw Crab	\$9,200

⁹⁷ Entire budget from 2003-2008 is from Carteret Press Release, October 23, 2008.

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NJDEP Green Acres (Veterans Fishing Pier)	\$1,000,000
2005:	
NJDEP Green Acres	\$2,656,000
Middlesex County Open Space (Part of \$2 mm grants & \$3.2 mm Civic Center Park Restoration)	\$500,000
Clean Communities	\$16,099
Middlesex County Land Acquisition	\$350,000
2006:	
Historic / Cultural Center	\$75,000
DEP Carteret Pond Dredging (John Sitar Pond, part of \$1,220,000 restoration)	\$300,000
Waterfront Pier Extension	\$600,000
Green Acres Multi Parks	\$600,000
Middlesex County Open Space	\$500,000
Middlesex County Arts / Cultural Heritage	\$5,000
Local Contribution (Ordinance #06-26) (\$1,400,000 for park improvements) (\$600,000 for waterfront improvements)	\$2,000,000
2007 - 2008:	
County Green Acres / Wellness Center	\$3,000,000
County Recycling / Carteret Parks	\$15,000
Carteret Business Partnership / Recreation	\$7,000
County - Medwick Park	\$15,000,000
D.E.P. Waterfront Remediation BDA	\$25,000,000 (max)
=====	
TOTAL 2003 – 2008 Grant Funding	\$51,999,881
TOTAL 2003 – 2008 Local Contribution	\$2,793,000
2009 Grant Money	
Green Acres for Carteret Park	\$240,000 Grant + \$240,000 Loan
Parkview Park Improvements	\$66,700 CDBG + \$29,970 Stimulus
Carteret Park Basketball/Tennis Courts	\$50,000 for planning & design,
Upgrade Ballfields at Carteret Park	\$70,000 municipal allocation (T & M)
=====	
TOTAL 2009	\$696,670
2009 total excludes NJDEP BDA Waterfront Remediation funding.	

From 2003 to 2008, Carteret's government was able to obtain \$18.62 in matching funds for each local taxpayer dollar spent. That is an impressive local leverage of the taxpayers' contribution to this initiative⁹⁸.

B. Municipal Facilities⁹⁹

Carteret has been actively rebuilding its municipal infrastructure since the 1980's, starting with the completion of the modern public safety complex (Fire and Police) at 230 Roosevelt Avenue in 1982. Following recommendations set forth in the 1973 Master Plan for improved services, the last 10 years of development activity generated enough developer fees and other revenue to fund the following new facilities:



Photo 33. Municipal Annex Building.

- Department of Public Works complex (2006-7), located on former site of the Sewer Treatment Plant, cost \$1.2 million to create.

⁹⁸ To calculate a leverage effect, divide the grant funding by the local contribution. Thus, $\$51,999,881/\$2,793,000 = \$18.62/\1.00

⁹⁹ This entire section of the report is from Carteret Engineering Annual Report 2004-2009 and Municipal Budgets 2000-2009.

- City Hall Annex, located at the former Carteret Bank and Trust site, was purchased in 1996 for \$140,000 and renovated the following decade with improvements valuing \$1.7 million. Portions are leased to Investors Savings Bank, which is for 600 square feet at \$2,500 a month for two years with a sole two-year option. The tenant is responsible for taxes, repairs, and insurance in addition to rent.
- Library and Computer Lab, located at the former Foodtown site and purchased in 1997 for \$650,000, was renovated with \$2.78 million in improvements and cumulated with the installation of a 30 seat computer lab, completed in 2006. The total amount spent before fixtures, furnishings and equipment (FFE) was \$3.43 million.¹⁰⁰ FFE for the computer lab was funded by a UEZ grant for \$40,000 (equipment and networking), along with a contribution by the Library Board of Trustees for \$22,857 and a special legislature grant for \$20,000.¹⁰¹



Photo 34. Carteret Public Library.

¹⁰⁰ Email from Pat DeBlasio to Robert Buchsbaum, April 27, 2011. Ordinance # 95-16, Boro of Carteret NJ.

¹⁰¹ Interview with Katherine Shaw, April 29, 2011.

- Carteret Historical Society is located in the former library building, which is currently being renovated. Since the project is ongoing, the construction cost is incomplete as of this writing.

The value of those projects was based on estimated improvement value. Improvement value is calculated by the Carteret Tax Records Improvement Value *0.3755 - Acquisition Cost. The acquisition cost is equivalent to the current land value. Improvement value serves well as an appropriate and accurate estimated project value in the absence of available actual construction budgets and costs to complete.

Infrastructure Improvements (Completed):

Carteret has had an ongoing need for infrastructure modernization. First, the 1964 Master Plan cited the Borough's sanitary sewer system as undersized and antiquated, requiring major upgrades in order to keep pace with development. Funds have only become available within the last ten years from new development to finance, improve and modernize the system. Second, emergency response capabilities were expanded through a negotiated agreement between Carteret and leading local chemical companies.

1. Sanitary Sewer Modernization

The sanitary sewer system has been operating under an Administrative Consent Order (ACO) and making strides to comply with that decree. Prior to the last decade, many improvements consisted of rebuilding connections and rerouting lines to separate the sanitary and storm sewer systems. This was done in order to avoid the "congestion points" that led to back-ups, flooding, and issuance of the ACO in the first place. The advent of new development combined with a political awareness to seek funding from Federal sources, lead new players, like developer Matzel and Mumford and US Senator Robert Menendez, to enthusiastically support Carteret's efforts at redevelopment. They played critical roles, in their respective arenas, in securing funding for much needed physical plant investment. As a result, the Sanitary Sewer modernization effort accelerated.

The timeline of events from the initiation of the ACO forward is as follows:

- 1985 - The New Jersey Department of Environmental Protection identified a number of issues pertaining to Carteret's sewer system, then 75 years old in many places, relating to excessive cross connections. A sewer ban was imposed on the entire town, along with an Administrative Consent Order, which set the requirements for the resolution of sewer capacity problems and by which the ban could be lifted.

- Late 1980's / early 1990's - \$10 million in federal dollars was spent to address the Borough's sewer problems. The project separated many connections between the sanitary and storm sewer systems. It also preserved numerous cross connections, which were overworking the local pump stations. The effort has been branded a failure.
- 1993 – The ban was partially lifted by the NJDEP. The Hill District and West Carteret retained the ban.
- 2001 – Studies identifying existing cross connections were completed and work to terminate illegal connections commenced.
- 2007 – 7 years and \$5 million worth of work, funded by State and Federal Grants, was completed on the Hill District's sewer system. The N.J.D.E.P. ban was lifted for this area.¹⁰² The force main and pump station for Hayward Avenue was completed, as was the Hill District Stormwater Pump Station. These projects were partially funded by a \$1.4 million contribution (developer impact fee) by the developer of Bristol Station, Matzel and Mumford.¹⁰³ While cost information for the Hayward Pump Station is unavailable, the Hill District Stormwater Pump Station cost \$1.8 million.
- 2008 – Per NJDEP requirements, 300 catch basins are labeled and storm water guides are installed.
- May 2009 – 10 years of studies and improvements are completed for the West Carteret sewer system. The N.J.D.E.P. approves Carteret's Performance Evaluation Report, establishing that crucial areas in West Carteret met Adequate Conveyance Capacity standards.
- June 26, 2009 – West Carteret's sewer ban is lifted.

Carteret is currently seeking an additional \$8.0 million in Federal and State Stimulus Grants and Low Interest Loan Funding, available through the NJDEP and NJEDA Environmental Infrastructure Trust (EIT) Program, to proactively continue sewer system improvements and maintenance.

¹⁰² Carteret Press Release, July 2, 2009.

¹⁰³ Carteret NJ Press Release, November 8, 2007.

This type of invisible improvement plays a key role in Carteret's continuing viability as a "go to" destination for businesses and residents. Posing a formidable obstacle to Carteret's continuing development, the sewer system has been an issue that took considerable planning and multilevel support to resolve. As a Borough Councilman Sitarz said, "The product of these changes will become readily apparent as the West Carteret commercial corridor experiences re-growth proportional to the Borough's other business districts."¹⁰⁴

2. Chemical Companies Contribution to Emergency Services Funding

The Borough Council recognized the potential demands of big industry on emergency services and thus in 2005 passed ordinance (#05-36), which requires corporate users of such services to contribute funding towards the specialized equipment, training, and supplies necessary to respond to emergencies involving hazardous materials. After litigating from 2005 to 2009 with the largest potential users of such services, chemical companies BP Amoco and Kinder Morgan, Carteret and twelve local chemical manufacturers settled with the "Hazmat Funding Agreement" (HFA).



¹⁰⁴ Carteret Press Release, July 2, 2009.

Photo 35. Petrochemical complex along Arthur Kill.

The agreement, supervised by a federal magistrate, established the Hazmat Funding Association, a ten-year emergency services funding program. Beginning in 2010, the Borough will enter into a ten-year contract with the chemical companies that store large quantities of hazardous materials in Carteret. For 2009, the Borough will receive a minimum of \$230,000 from the Carteret Hazmat Funding Association with an additional \$235,000 endowment provided the following year. Funding for the remaining 8 years will be determined according to a cooperative needs assessment. Additionally, the Agreement has a provision of \$40,000 a year for a foam pumper fire truck to be purchased by 2011. The agreement is potentially worth \$3 million to the Borough during its ten-year time frame. Chemical industry leaders that are party to the agreement include:

- Kinder Morgan
- BP Products of North America, Inc.
- ICL Performance Product, LP
- Ashland Distribution Company
- Prime Lube, Inc.
- NACA Logistics
- Oxford Instruments Superconducting Technology
- Intertek OCA
- Laboratory Service, Inc.
- Nu-World Corporation

As additional funding, the Borough had been awarded \$216,760 by the Federal Emergency Management Agency (FEMA) division of the U.S. Department of Homeland Security. The grant will allow for the addition of 2 new hires for the Carteret Fire Department, specifically to meet the growing need for Hazmat emergency specialists and resources, and will be matched by an endowment of \$298,811 from the Hazmat Funding Association.¹⁰⁵

New Facilities Planned or Under Construction

Like any other entity, Carteret continues to plan and grow. Two major projects are currently contemplated, the first, which is currently on hold, being the Public Safety Complex Expansion, budgeted in 2008 for \$1.5 million. The other, the Health and Wellness Center, is under construction and is a benefit funded partially by the new development currently taking place in Carteret.

¹⁰⁵ Carteret Press Release, October 2, 2009.

Health and Wellness Center¹⁰⁶

In September 2008, a redevelopment agreement was signed by Carteret Mayor Dan Reiman and Developer Greg Matzel of Matzel and Mumford establishing a “Health and Wellness Center” to be operated by Robert Wood Johnson Hospital.

The 36,000 square feet facility will be operated as a non-profit and funded by State and County grants, private endowments, and developer impact fees. The facility will feature a junior-sized Olympic swimming pool and a 7,000 square feet aquatics facility, cardiovascular and weight rooms, aerobics studios, a multi-purpose sports room, physical therapy facilities, a daycare center, and a health food café. The health and wellness center addresses a need stated in the 1973 Master plan¹⁰⁷, which was a dire need for recreational facilities. The new Health and Wellness Center is flexible and can accommodate varied programs tailored to meet a wide variety of health, fitness, and recreational needs to the benefit of all age groups.



Figure 7. Illustrated rendering of Health and Wellness Center.

Construction of the Carteret Health and Wellness Center began in 2009 with a projected completion date of early 2011. It is currently budgeted at \$14,500,000. The sources and distribution of funding is as follows¹⁰⁸:

¹⁰⁶ Entire Section is from Wellness Center Redevelopment Agreement, 2008, except where noted.

¹⁰⁷ Carteret 1973 Master Plan, Page 108-109.

¹⁰⁸ Budget provided by Pat DeBlasio, Carteret Chief Financial Officer.

Grants

Middlesex County Grants – Aquatics Center	\$ 3,000,000
Carteret UEZ (Site Remediation Work)	\$ 500,000
Special Improvement District Bonds	\$ 450,000
Middlesex County Green/LEED	\$ 100,000
US HUD Community Dev. Block Grant	\$ 500,000
<u>Middlesex County Open Space</u>	<u>\$ 309,138</u>
Subtotal - Grants	\$ 4,859,138

Developer Contributions

Developer Impact Fees	\$ 4,070,769
GATX Litigation Settlement	\$ 2,183,786
Kinder Morgan Redevelopment Agreement	\$ 1,000,000
<u>Other Developer Outlays</u>	<u>\$ 867,075</u>
Subtotal – Developer Contributions	\$ 8,121,630

Municipal Contributions

Land Sale	\$ 387,000
Property Reclassifications	\$ 575,711
Borough Cost Sharing (One-Time Savings)	\$ 767,000
<u>Other Appropriations</u>	<u>\$ 100,000</u>
Subtotal Municipal Contributions	\$ 1,829,711

Total Funding in Place for Center	\$14,810,479
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Less Total Budget for Center	(\$14,500,000)
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Project Surplus (Remaining to Fund)	\$ 310,479
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The site known as 35 Cooke Avenue, which is located near the Health and Wellness Center site, has been approved for 30 apartments. Currently, the Carteret Redevelopment Agency (owner) is looking for a redeveloper who can leverage the property’s advantageous location into a successful redevelopment project. Formerly “Carteret Auto Parts,” the Dashmesh Dunbar Gudwara initially acquired the site in 2000. It was a local religious organization that intended to build a 20,000-square foot temple. Although approved by the Carteret Planning Board at the time, construction stalled in 2001, leaving a deteriorating steel skeleton and a hazardous blight for the community to resolve. An attempt to revitalize the property failed in 2003, with the town condemning and demolishing the site in 2007, thus leaving a vacant parcel for the Borough to approve and reposition as a development site.¹⁰⁹

¹⁰⁹ Carteret Press Release, September 12, 2007.

C. Municipal Revenue Streams¹¹⁰

Development brings revenue not only from impact fees and ratables, but also from the utilization of municipal services. Everything from the sewer system, to building permits, to utilizing the town's law and engineering departments generates revenue. A summary of these revenues by source is provided in Table 21.

Table 21
Reported Revenue Sources from Economic Development
Carteret, New Jersey

Year	Permits/ Fees	Sewer Fees	PILOTs	UCC	Engineering/ Legal	UEZ Chap. 159	Red. Fees
2000	280,958	4,516,144	227,092	900,374	0	0	0
2001	214,493	4,818,799	253,737	470,403	0	0	0
2002	205,193	4,823,188	286,036	464,039	0	0	0
2003	320,788	4,802,935	274,734	487,162	0	0	0
2004	495,185	5,024,589	266,834	966,883	0	0	0
2005	535,821	4,954,846	256,802	1,001,096	115,126	2,818	0
2006	656,224	5,610,351	265,899	1,621,002	119,038	50,000	0
2007	665,061	5,916,853	432,077	1,326,623	81,203	150,000	0
2008	635,000	6,631,484	630,195	646,904	88,710	80,000	0
2009	600,000	5,700,000	550,000	500,000	75,000	130,000	767,000

Note: In 2009, UEZ Chapter 159 was categorized UEZ, and the amounts were separated into \$50,000 for Small Business and \$80,000 for Administration. Also, 2009 revenue amounts are projected because they came from the 2008 budget. At the time of writing, the 2010 budget was unapproved and a draft was unavailable for review. The 2010 budget would have the 2009 actual revenue amounts.

Source: Borough of Carteret Municipal Budgets 2000-2009.

Revenue from fees and permits more than doubled between 2000 and 2009, with only slight declines occurring during a severe real estate recession (2007-2009). The largest single year increase took place between 2003 and 2004, where category revenue jumped more than 50 percent. Following the real estate market cycle are building permit and engineering/legal revenue. Being dependent on real estate, revenue for those departments registered a bell curve. Each peaked in 2006, with a slight decline in 2007 and large decline in 2008 and 2009. PILOTs gradually increased, but never exceeded \$630,000 in a single year. The UEZ, which will be further discussed in another section, has cash flow from widely varying annual administration fees. For the first time, budget recorded Borough redevelopment efforts are to generate \$767,000 in 2009.

¹¹⁰ Entire section from Carteret Municipal Budget, 2000-2009.

Fees from sewer use increased 25 percent from 2000 to 2009, an average annual increase of 2.5 percent. Due to the increase, and even with the extensive sewer reconstruction work over the last decade and the multimillion dollar revenue stream, the Borough was able to commence a rebate program in 2004 that continues today. From 2004 to 2009, \$500,000 was given to seniors, veterans, and the disabled to help defray sewer costs. For the 2010 fiscal year, during a recession, Carteret is providing \$120,000 in rebates, or \$100 per recipient.¹¹¹

¹¹¹ Mayor of Carteret State of the Borough Address, 2010

DEVELOPMENT IMPACT ON SCHOOL FUNDING AND STUDENT PERFORMANCE

A typical concern communities have with respect to new development is whether any negotiated concessions or impacts on services will outweigh the benefits that such development may bring. Community impacts revolve around emergency services personnel (fire, police, EMT) and overcrowded schools, especially when residential development is involved. In New Jersey, negotiated concessions generally involve tax abatements and PILOT-based municipal or county bonds, which are used to pay the necessary infrastructure upgrades required by new development.

In the case of Carteret, the redevelopment initiatives since 2004 have mitigated any sunk cost borne by the Borough through the following strategies:

- Incentives have been counterbalanced with advance payments in a lump sum known as developer impact fees;
- Negotiated contributions for emergency services in the form of equipment and funding for additional personnel;
- Incentives have only been used to promote new development that changes the nature of the demand for services, i.e. residential development in a formerly industrial zone, or where the revitalized parcels are impacted by high cost barriers, i.e. significant environmental contamination or a lack of infrastructure to support development;
- Institute an "acid test" whereby development taking advantage of incentives would have to generate multiplier effects in the form of additional market rate development utilizing less or zero incentives.

As stated in the "Reinvention Section" of this report, when tax abatements were not counterbalanced, Carteret had to absorb the development opportunity costs in the form of lost tax revenue. The long-term impact in these instances was moderate since the total amounted to a few hundred thousand dollars aggregate over a five-year period. However, the lesson learned was monumental and positively influenced Carteret's redevelopment deals from that point on. The market ratables generated from multiplier effect development exceeded any incentives provided. Those deals where incentives played a role were counterbalanced by advance payments, needed infrastructure, or some other equivalent compensation that made the transaction a "win" for the Borough.

During the last decade, Carteret generated \$3.7 million in tax revenue from new development (see Development Summary 2000-2010 in Appendix). This new

development encompassed market rate projects with no incentives, as well as commercial development projects subject to tax abatements, and commercial redevelopment projects subject to PILOTS (Payments in Lieu of Taxes). Through 2004, incentives approved by Carteret primarily consisted of tax abatements for commercial development projects, which did not necessarily have to take place in an approved development area. After 2004, approved incentives took the form of PILOTS and were in redevelopment designated areas. PILOTS allowed the Borough to directly benefit from the reinvestment of funding generated by their use, mostly in the form of infrastructure and capital improvements.

These new incentives expire at varying terms. However, once the tax abatements and/or PILOTS expire, the ratable remains and generates tax revenues that would otherwise be absent. Note that the amounts in this report exclude tax revenue from the new Kinder Morgan project (approximately \$723,000 annually), which is unencumbered by any Borough incentives.

To illustrate how an incentive can temporarily impact school funding, let's use iPort 12 as an example and say that it stood alone in a long term obligation. The annual averaged obligation of iPort 12 is \$709,000 paid according to Carteret's tax structure. The total property tax levy is paid according to the following schedule (\$5.423 per \$100 of Assessed Value or AV):

<u>Category</u>	<u>\$/ \$100 AV</u>	<u>of Total</u>
Special Improvement District	\$0.259	4.8%
County	\$0.740	13.7%
School	\$2.361	43.5%
Local (Municipal)	\$1.949	35.9%
County Open Space	\$0.084	1.5%
Local Open Space	\$0.030	0.6%
Total	\$5.423	100.0%

The school portion of the \$709,000 is 43.5 percent, or \$308,415. The Carteret schools have 3,822 students and spend \$13,045 per student, of which 44.42 percent is derived from the property tax levy. Broken down per student, the annual obligation represents \$80.69 per student per year. In other words, it represents 0.62 percent of the total spent per student and 1.39 percent of the total tax levy spent per student. The Carteret School District has increased spending over the last 10 years to address an increasingly bilingual student body as well as other issues. Additionally, the tax levy flowing into the schools has increased substantially over the time frame due to rising property values and a surge of new development in the Borough.

Carteret Schools

The Borough of Carteret is served by the Carteret School District, which provides K-12 education to the Borough's approximately 21,000 residents. The district itself is a diverse community with a student population of about 3,822.

The stated mission of the Carteret School District is to educate the complete individual and ensure the safety and well being of all community members. The school district embraces the challenge of addressing each child's needs and empowering all individuals to pursue their goals within an environment that promotes mutual learning opportunities and respect.

Elementary Schools

Students in pre-kindergarten through grade five attend one of three district elementary schools; Columbus, Private Nicholas Minue, or Nathan Hale. The pre-school program is open to all students who are four years of age on or before October 1st. The program runs five days week for two-and-one-half hours per day. Students in kindergarten participate in a full day program and must be five years of age on or before October 1st. The Minue and Nathan Hale Schools house bilingual Spanish programs and all three elementary schools offer English as a Second Language services.

The Columbus and Nathan Hale Schools participate in the Reading First Initiative in kindergarten through third grade, which is a program utilizing scientifically researched based materials and instructional strategies. Although the Minue School is not a recipient of the Reading First Grant, the school follows the same initiative. The district has adopted the standards-based Everyday Mathematics Program.

The elementary school curriculum offerings include ninety minutes of language arts literacy instruction and sixty minutes of mathematics on a daily basis. Students also receive instruction in science, social studies, health and physical education, music, art, computers, world language (Spanish), and character education.

The Columbus Elementary School is located at 1 Carteret Avenue. The school occupies a property of 2.0 acres and includes the school building, play fields, and a playground. The school building was constructed in 1961 and has a floor area of 67,323 square feet. The school includes 30 classrooms, 9 small group instruction rooms, 2 specialized instruction rooms, an assembly hall, a gym, a cafeteria, a library/media room, as well as rooms for art, music and computer instruction. In addition, there are 15 offices, which include the principal's office, the school nurse's office, a guidance office, and other administrative offices. The school has a functional capacity of 535 students, assuming a utilization factor of 90 percent, which

is standard for grades K-8. The school district's Long Range Facilities Plan indicates planned changes or additions for the Columbus Elementary School at this time.



Photo 36. Columbus Elementary School.

The Private Nicholas Minue Elementary School is located at 83 Post Boulevard. The school occupies a property of 2.19 acres and includes the school building, play fields, and a playground. The school building was constructed in 1962 and has a floor area of 69,902 square feet. The school includes 31 classrooms, 11 small group instruction rooms, 2 specialized instruction rooms, an assembly hall, a gym, a cafeteria, a library/media room, as well as rooms for art, music and computer instruction. In addition, there are 14 offices, which include the principal's office, the school nurse's office, a guidance office, and other administrative offices. The school has a functional capacity of 550 students, assuming a utilization factor of 90 percent. The school district's Long Range Facilities Plan indicates no planned changes or additions for the Private Nicholas Minue Elementary School at this time.



Photo 37. Private Minue Elementary School.

The Nathan Hale Elementary School is located at 678 Roosevelt Avenue. The school occupies a property of 0.99 acres and includes the school building, play fields, and a playground. The school building was constructed in 1948 and has a floor area of 44,689 square feet. The school includes 16 classrooms, 8 small group instruction rooms, 2 specialized instruction rooms, a multipurpose room/cafetorium, a library/media room, as well as rooms for art, music and computer instruction. In addition, there are 11 offices, which include the principal's office, the school nurse's office, a guidance office, and other administrative offices. The school has a functional capacity of 332 students, assuming a utilization factor of 90 percent. The school district's Long Range Facilities Plan indicates no changes or additions are planned for the Nathan Hale Elementary School at this time.



Photo 38. Nathan Hale Elementary School.

Carteret Middle School

The Carteret Middle School is located at 300 Carteret Avenue. The school occupies a property of 4.2 acres and includes the school building and athletic fields. The school building was constructed in 2006 and has a floor area of 140,607 square feet. The school includes 52 classrooms, 14 small group instruction rooms, 4 science rooms, 3 technology literacy rooms, 2 gyms, 2 specialized instruction rooms, a cafeteria, a library/media room, as well as rooms for art and music instruction. In addition, there are 22 offices, which include the principal's office, the school nurse's office, a guidance office, and other administrative offices. The school has a functional capacity of 1,049 students, assuming a utilization factor of 90 percent. The school district's Long Range Facilities Plan indicates no changes or additions are planned for the Carteret Middle School at this time.

Students in grades six through eight are provided with numerous active learning opportunities in academics, electives, and extra-curricula that help develop positive physical, social, and emotional development.

Additionally, the Carteret Middle School provides a full range of academic programs for its students, including self-contained classes, bilingual and ESL programs, in-class support and resource centers, a full service library media center, a computer lab and a band.



Photo 39. Carteret Middle School.

The middle school's extra-curricular activities offer opportunities in sports and clubs for all students. Some of these include fall and spring track, basketball, wrestling, the Green Team (school beautification club), Math Olympiad (International Math contests), the International Club (promotes positive ethnic diversity amongst students), Student Council (community and school service programs), National Junior Honor Society (high academic achievement recognition), and peer tutoring. The Family School Organization (parent group) sponsors additional activities for students throughout the year, including dances and book fairs.

The school places emphasis on raising academic achievement, especially in the areas of language arts literacy and mathematics. To help meet the school objectives on the New Jersey Assessment of Skills and Knowledge (NJASK), all students are regularly

assessed and instructed within each course using the New Jersey Core Curriculum Content Standards. Eighty minutes of class instruction, in each of these subjects, are offered to all students in sixth through eighth grades. Appropriate computer, language arts, and math programs are also used to supplement class preparation. After-school test preparatory classes are offered to eighth-graders in language arts, mathematics, and science.

The Carteret Arts and Sports Academy is a free after school program for Carteret Middle School students. The program offers a wide range of academic enrichment, sports and arts activities, field trips, special guest artist presentations, and family educational support services.

Carteret High School

Carteret High School is located at 199 Washington Avenue. The school occupies a property of 8.6 acres and includes the school building, athletic fields, a stadium, and a utility storage building. The school building was constructed in 1926 and has a floor area of 166,918 square feet. The school includes 56 classrooms, 12 small group instruction rooms, 11 science rooms, 8 music rooms, 3 technology literacy rooms, 2 art rooms, an auditorium with a stage, a cafeteria, a library/media center, a media lab, an electronics lab, a gym with boys and girls locker rooms and team rooms, a trainer's room, a weight room, and a wrestling room. In addition, there are 45 offices, which include the principal's office, the school nurse's office, a guidance office, and other administrative offices. The stadium was constructed in 1973 and includes a coach's office and a locker room. The utility storage building was constructed in 1975 and includes a concession stand. The school has a functional capacity of 1,096 students assuming a utilization factor of 85 percent, which is standard for grades 9-12. The school district's Long Range Facilities Plan indicates no changes or additions are planned for the Carteret High School at this time.

Carteret High School offers the student body a variety of programs designed to satisfy their learning needs and particular interests. The staff of approximately 100 highly trained professional and paraprofessionals provides learning centers and utilizes multiple teaching strategies to create educational opportunities and experiences.

The expanded curriculum offers opportunities that not only meet mandated requirements, but also allows students to take advantage of an accelerated academic program. Students wishing to acquire meaningful hands-on experience can take a variety of technical and computer offerings. Advanced offerings in the areas of mathematics, science, and world language have become commonplace since articulation has taken place between the high and middle schools. Advanced placement courses have been developed in chemistry, calculus, American history, Spanish, and English. The Project Acceleration Program allows students to receive

college credit from Seton Hall University and over 200 other respected universities. Students may also attend classes at Middlesex County College, if their schedule permits it, for college credit. At-risk students may enroll in programs regarding self-esteem and anger management.



Photo 40. Carteret High School.

Student life consists of a multitude of clubs, organizations, activities, and sports programs. Involvement in these activities lends itself to the development of pride in the school and a sense of connection to the overall student body. The administration and staff believe that involvement in these activities enhances the development of each student's character. Participation in all extra-curricular activities depends upon compliance with the schools' discipline and attendance policies.

Carteret High School graduates are well equipped to compete with graduates from other communities. Top students from the community compete nationally for recognition in the areas of mathematics, science, and technology.

Administrative Offices

The school district’s administrative offices are located at 599 Roosevelt Avenue in the former Washington School.

Enrollment

Total enrollment in the district for the 1999-2000 school year was 3,081 students. By the 2008-2009 school year, enrollment had grown to 3,822, an increase of 24.1 percent. However, enrollment differs substantially for the elementary schools as compared to the middle and high schools. Enrollment in the high school increased from 884 students in 2000 to 1,068 students in 2009, while enrollment in the middle school increased from 769.5 students to 910 during the same timeframe. In comparison, enrollment in the three elementary schools has fallen from a total of 2,125 students in 2000 to 1,844 students in 2009. Enrollment data for each of the district’s schools is provided in Tables 22–26.

Table 22
School Enrollment, 1999-2010
Carteret High School

Year	9	10	11	12	SPED	Total
1999-2000	209	218	219	188	30	864
2000-2001	220	230	190	210	32	882
2001-2002	250	239	214	183	25	911
2002-2003	258	273	210	200	15	956
2003-2004	251	273	231	194	14	963
2004-2005	290	255	249	210	24	1,028
2005-2006	339	286	221	219	20	1,085
2006-2007	304	326	258	190	27	1,105
2007-2008	297	310	278	235	15	1,135
2008-2009	280	302	253	237	29	1,101
2009-2010	294	277	249	227	31	10,78

Source: New Jersey School Report Cards

Table 23
School Enrollment, 1999-2009
Carteret Middle School

Year	6	7	8	SPED	Total
1999-2000	236	240	247	30	753
2000-2001	247	246	241	35	769
2001-2002	275	255	254	19	803
2002-2003	322	297	252	20	891
2003-2004	294	331	287	17	929
2004-2005	330	288	334	16	968
2005-2006	267	316	283	20	886
2006-2007	275	258	297	29	859
2007-2008	298	270	258	46	872
2008-2009	269	293	274	42	878
2009-2010	296	278	298.5	34.5	907

Source: New Jersey School Report Cards

Table 24
School Enrollment, 1999-2009
Columbus Elementary School

Year	Pre-K	K	1	2	3	4	5	SPED	Total
1999-2000	30	113	144	119	163	121	136	39	865
2000-2001	30	132	110	138	120	165	124	45	864
2001-2002	64	115	108	80	100	103	107	27	704
2002-2003	62	108	122	104	95	99	104	25	719
2003-2004	64	104	110	117	97	87	103	32	714
2004-2005	63	94	101	89	115	83	88	57	690
2005-2006	51	98	97	104	79	94	79	74	676
2006-2007	54	99	96	94	110	74	103	61	691
2007-2008	46	100	101	99	95	111	83	50	685
2008-2009	44	85	99	96	106	93	106	56	685
2009-2010	41	93	81	95	97	107	94	38	646

Source: New Jersey School Report Cards

Table 25
School Enrollment, 1999-2009
Private Nicholas Minue Elementary School

Year	Pre-K	K	1	2	3	4	5	SPED	Total
1999-2000	30	115	140	113	120	111	97	35	761
2000-2001	29	109	123	137	116	124	113	36	787
2001-2002	51	88	75	89	99	101	107	31	641
2002-2003	59	90	104	89	88	108	112	24	674
2003-2004	78	87	99	96	100	88	110	23	681
2004-2005	65	91	97	90	100	108	89	13	653
2005-2006	55	91	98	87	101	109	102	11	654
2006-2007	70	88	87	95	99	103	115	7	664
2007-2008	54	85	92	88	101	102	96	7	625
2008-2009	59	86	92	89	95	111	97	4	633
2009-2010	56	95	94	97	94	99	120	9	664

Source: New Jersey School Report Cards

Table 26
School Enrollment, 1999-2009
Nathan Hale Elementary School

Year	Pre-K	K	1	2	3	4	5	SPED	Total
1999-2000	-	-	-	-	-	-	-	-	-
2000-2001	-	-	-	-	-	-	-	-	-
2001-2002	52	69	65	68	85	54	77	4	474
2002-2003	57	78	74	78	74	92	67	3	523
2003-2004	64	83	83	79	77	75	97	9	567
2004-2005	50	89	104	94	76	80	85	-	578
2005-2006	58	81	91	99	85	83	90	-	587
2006-2007	59	82	77	79	89	85	80	-	551
2007-2008	71	87	82	87	83	90	83	-	583
2008-2009	50	88	81	77	74	77	89	-	536
2009-2010	39	85	93	84	74	79	81	-	535

Source: New Jersey School Report Cards

The study projects school enrollment will increase steadily from 3,852 in 2009-2010 to 4,267 in 2013-2014. This projected increase is attributed to the School Funding Reform Act of 2008, which requires all school districts in New Jersey to provide expanded Abbott-quality pre-school programs for at-risk 3- and 4-year olds.

Enrollment in elementary schools is also projected to increase by 413 to 461 students. On the other hand, enrollment in the middle school is projected to decrease by 19-30 students, while enrollment in the high school decreases by 10-29 students.

The study utilized demographic multipliers to project 129 students from two recent residential projects. Bristol Station, which is comprised of 288 one- and two-bedroom apartments, is projected to yield approximately 51 students, while Gateway at Carteret, comprised of 386 one-, two-, and three-bedroom dwelling units, is projected to yield 78 students. However, the school district has indicated that only four school-aged children reside at the Bristol Station development. Further, none of the students currently enrolled reside at Gateway of Carteret, according to school district officials. In part, the low number of school-aged children may be attributed to the relatively small size of the apartments at the Bristol Station development. Families with school-aged children generally seek dwelling units with at least three bedrooms in order to provide sufficient private space for each family member, as well as a spare bedroom for visitors. With respect to Gateway at Carteret, the absence of school-aged children at can be attributed to its early stage of development, as only about 12 dwelling units are currently occupied.

The data shows that school enrollment increased by 741 students between 1999 and 2009. Much of this increase can be attributed to smaller scale, infill residential development rather than larger-scale multifamily residential development. The two largest multifamily residences constructed over the past ten years include Bristol Station, which yields four students, and the Meridian Terrace complex, which yields 49 students. Thus, large-scale development and redevelopment projects account for only about seven percent of the increase in school enrollment over the past ten years.

Functional Capacity

The Carteret School District's Long Range Facilities Plan, which was prepared in 2005, indicates the overall functional capacity of the district's schools is 4,156 students. In comparison, enrollment for the 2009-2010 school year was 3,822 students. The School District has considered plans to expand its facilities, but has tabled them given the paucity of funding available from the New Jersey Department of Education. The plan under consideration proposed the construction of a new early learning center, which would house the Pre-kindergarten and kindergarten classes. This would then allow for a re-organization of the lower grades, with grades 1-6 housed in the elementary schools, while grades 7 and 8 would continue to utilize the Middle School. The necessity to make such changes will likely increase as new residential projects come online, especially the Waterfront Redevelopment project. Increased

enrollments will then likely require an increase in the capacity of the school district facilities.

Attendance

Another issue impacting the School District is attendance. In 2006, the District began a central registration program, which is designed in part to ensure that students enrolled in the District reside in Carteret. In part, this has reduced costs associated with the number of students enrolled in Carteret schools, but who actually reside in neighboring communities. In addition, the program allows for better tracking of student attendance. The school district pursues court remedies for parents with children exhibiting high truancy patterns. However, such remedies are costly and the school district may not be to pursue such remedies in earnest given recent cuts in State aid programs.

Language Spoken at Home

Data concerning the first language spoken at a student’s home is an indicator of the extent to which a school district must allocate resources for academic subjects beyond those traditional taught in most schools, i.e. mathematics, language arts, social studies, science, etc. Students who live in households where English is not the first language spoken may be at a disadvantage in terms of receiving assistance with their school work at home and, thus, the school district must allocate sufficient resources to properly educate such children. Data for each of the schools in the Carteret School District are provided in Tables 27, 28, 29, 30 and 31. Comprehensive data for each of the schools in a district first became available for the 2003-2004 school year.

**Table 27
 Language Spoken at Home
 Carteret High School**

Language	Percent 2003-2004	Percent 2008-2009	Change (%)
English	60.8	57.5	(5.4)
Spanish	20.0	22.5	12.5
Panjabi	8.9	11.5	29.2
Urdu	2.1	2.5	19.1
Polish	1.3	-	-
Gujarati	1.3	-	-
Hindi	0.8	1.8	125.0
Tagalog	-	1.0	-
Portuguese	-	0.6	-

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Spanish	20.0	22.5	12.5
Panjabi	8.9	11.5	29.2
Urdu	2.1	2.5	19.1
Polish	1.3	-	-
Gujarati	1.3	-	-
Hindi	0.8	1.8	125.0
Tagalog	-	1.0	-
Portuguese	-	0.6	-
Other	6.3	2.5	(60.3)
Limited English Proficiency	6.3	4.0	(36.5)

Source: New Jersey School Report Cards

Table 28
Language Spoken at Home
Carteret Middle School

Language	Percent 2003-2004	Percent 2008-2009	Change (%)
English	59.6	52.1	(12.6)
Spanish	33.0	26.7	(19.1)
Panjabi	2.8	11.5	310.8
Urdu	1.1	3.0	172.7
Creole	0.6	-	-
Vietnamese	0.4	-	-
Tagalog	-	1.6	-
Arabic	-	1.0	-
Hindi	0.3	0.7	133.3
Other	2.2	3.5	59.1
Limited English Proficiency	12.1	3.1	(74.4)

Source: New Jersey School Report Cards

Table 29
Language Spoken at Home
Columbus Elementary High School

Language	Percent 2003-2004	Percent 2008-2009	Change (%)
English	58.1	68.8	18.4
Spanish	25.4	19.9	(21.7)
Panjabi	9.0	5.4	(40.0)
Urdu	1.8	2.3	27.8
Hindi	1.1	0.9	-
Gujarati	1.0	0.4	-
Portuguese	0.8	-	-
Creole	-	0.4	-
Other	2.8	1.9	(32.1)
Limited English Proficiency	4.8	3.6	(25.0)

Source: New Jersey School Report Cards

Table 30
Language Spoken at Home
Minue Elementary School

Language	Percent 2003-2004	Percent 2008-2009	Change (%)
English	56.0	48.2	(13.9)
Spanish	18.8	18.0	(4.3)
Panjabi	13.8	19.1	38.4
Urdu	3.0	5.4	80.0
Philipino	2.5	-	-
Tagalog	-	2.5	-
Hindi	1.3	1.9	46.2
Arabic	1.2	1.3	8.3
Other	3.4	3.6	5.9
Limited English Proficiency	3.9	6.0	53.9

Source: New Jersey School Report Cards

Table 31
Language Spoken at Home
Nathan Hale Elementary School

Language	Percent 2003-2004	Percent 2008-2009	Change (%)
English	43.0	35.3	(17.9)
Spanish	36.7	39.6	7.9
Panjabi	9.4	15.3	62.8
Urdu	2.5	4.9	96.0
Arabic	2.3	1.9	(17.4)
Polish	1.1	-	-
French	-	0.7	-
Hindi	1.0	0.6	(40.0)
Other	4.0	1.9	(52.5)
Limited English Proficiency	3.8	11.6	205.3

Source: New Jersey School Report Cards

The Carteret School District is clearly comprised of a substantial percentage of students who live in households where English is not the primary language. In fact, in some of the schools languages other than English comprise more than half of the student population. The percentage of students who live in households where English is the first language spoken declined in all of the schools in the Carteret School District with the exception of the Columbus Elementary School. The data suggest that

a substantial number of students have relatively recently immigrated from India, Pakistan and the Philippines.

The most common language spoken after English is Spanish. The percentage of students speaking Spanish at home ranges from 18 percent at the Minue Elementary School to nearly 40 percent at the Nathan Hale Elementary School.

The next most commonly spoken languages at home are Punjabi and Urdu. These two languages represent the largest growing segment of the population in terms of language spoken at home. For example, the percentage of students living in households where Punjabi is spoken as the first language more than quadrupled in the Middle school and more than tripled in the Nathan Hale Elementary School. The percentage of students who spoke Punjabi increased in all of the District schools with the exception of the Columbus Elementary School, while the percentage of students who spoke Urdu increased in all five schools.

The percentage of students with limited English proficiency declined in the High School, Middle School and Columbus School, but increased substantially at the Minue School and Nathan Hale School. In particular, the percentage of students with limited English proficiency tripled at the Nathan Hale Elementary School.

The impact of the relatively high number of students living in homes where English is not the first language is that additional resources must be allocated in terms of staff and scheduling to raise the English proficiency of such students. As more resources are allocated for English proficiency, less become available for other academic subjects, other school-related activities, or equipment and facilities. For example, the School District generally exhibits a higher student/computer ratio than the State average, which was 3.3 students per computer for the 2008-2009 school year. The schools in Carteret ranged from a low ratio of 4.6 students per computer at the Middle School to a high ratio of 6.5 at the Nathan Hale Elementary School.

Performance Indicators

The Carteret School District was deemed to be a high performing school district during the 2009-2010 school year based on the results of ASK and HSPA testing. This is the first time the school district has achieved this recognition.

The State of New Jersey Department of Higher Education annually publishes report cards for each school district in the State. The report cards provide data for each school district in the state and each school in a district. The report cards include information regarding school environment, student performance indicators, staff information, and district financial data. Performance indicators include the results

on standardized proficiency assessments, graduation rates, attendance rates and dropout rates.

Standardized tests are one important measure of academic performance. New Jersey has been a leader in the national movement for increased academic standards and the use of standardized tests. The High School Proficiency Assessment (HSPA), which replaced the former HSPT, was introduced in 2004.

The HSPA includes three subject matter tests: language, math and spelling. The tests measure achievement of eleventh-grade knowledge and skills in the areas of mathematics and language arts literacy. Accordingly, it is reasonable to expect all mainstream students to pass the tests. Special needs students are expected to pass the tests as long as appropriate accommodations are made.

Possible outcomes on these tests are Partially Proficient (meaning the student can read and understand basic passages of information, as well as understand and solve entry-level mathematical problems), Proficient (meaning the student can read beyond grade-level and solve more complex mathematical problems), and Advanced. These terms are euphemisms, which can be fairly characterized as below grade level, on-grade-level, and above-grade level, respectively. For purposes of this report, we consider the sum of students scoring Proficient and Advanced to have achieved passing scores and those scoring Partially Proficient to be failing.

Table 32
HSPA Scores – Language Arts
Carteret School District

Year	Number Tested	Partially Proficient	Proficient	Advanced
2002-2003	207	22.7	70.0	7.2
2003-2004	157	22.9	65.6	11.5
2004-2005	232	23.7	69.4	6.9
2005-2006	206	18.0	70.4	11.7
2006-2007	238	19.3	68.5	12.2
2007-2008	250	19.2	76.0	4.8
2008-2009	230	26.5	68.3	5.2

Source: New Jersey School Report Cards

Table 33
HSPA Scores - Math
Carteret School District

Year	Number Tested	Partially Proficient	Proficient	Advanced
2002-2003	206	34.5	54.4	11.2
2003-2004	156	30.1	51.9	17.9
2004-2005	225	24.9	59.1	16.0
2005-2006	205	23.4	58.0	18.5
2006-2007	240	30.0	61.3	8.8
2007-2008	250	32.4	53.6	14.0
2008-2009	230	36.1	58.3	5.7

Source: New Jersey School Report Cards

A review of the HSPA test scores reveals some variability from year to year, but generally about 80 percent of Carteret High School students achieve passing scores on the language assessment and about 70 percent achieve passing scores on the math assessment.

Another performance indicator for high school students is the Scholastic Aptitude Test, which is taken by students seeking to pursue study at a college or university. The average scores and number of Carteret High School students taking the test has remained generally stable over the past ten years. The following tables summarize the test scores of Carteret students for the past ten years.

Table 34
SAT Scores
Carteret School District

Year	Number Tested	Percentage Tested	Mean Math Score	Mean Verbal Score
1999-2000	NA	63	477	462
2000-2001	NA	61	475	463
2001-2002	134	73	471	441
2002-2003	131	66	494	461
2003-2004	143	74	479	447
2004-2005	154	73	484	454
2005-2006	152	69	474	434
2006-2007	145	76	472	441
2007-2008	150	64	460	425
2008-2009	125	53	478	438

Source: New Jersey School Report Cards
 NA = Not available

Elementary and middle school students are now tested annually through the New Jersey Assessment of Skills and Knowledge tests, which are given to children in grades 3 through 8. These tests replace the former ESPA and GEPA tests. The scores for the Carteret School District are summarized in the following tables.

Table 35
NJASK3 Scores - 2009
Carteret School District

Test	Geography	Partially Proficient	Proficient	Advanced
Language Arts	Carteret	55.1	43.9	1.0
	State	37.1	57.1	5.8
Mathematics	Carteret	32.9	51.2	15.9
	State	24.6	43.4	32.0

Source: New Jersey School Report Cards

Table 36
NJASK4 Scores - 2009
Carteret School District

Test	Geography	Partially Proficient	Proficient	Advanced
Language Arts	Carteret	43.6	52.9	3.4
	State	36.8	56.4	6.8
Mathematics	Carteret	34.4	45.4	20.3
	State	26.8	45.5	27.6
Science	Carteret	12.4	61.2	26.5
	State	8.9	44.0	47.1

Source: New Jersey School Report Cards

Table 37
NJASK5 Scores - 2009
Carteret School District

Test	Geography	Partially Proficient	Proficient	Advanced
Language Arts	Carteret	45.2	51.5	3.3
	State	33.9	57.4	8.8
Mathematics	Carteret	29.4	49.8	20.7
	State	22.4	45.4	32.2

Source: New Jersey School Report Cards

Table 38
NJASK6 Scores - 2009
Carteret School District

Test	Geography	Partially Proficient	Proficient	Advanced
Language Arts	Carteret	41.5	57.1	1.4
	State	29.9	62.9	7.2
Mathematics	Carteret	32.5	45.1	22.4
	State	28.8	45.7	25.5

Source: New Jersey School Report Cards

Table 39
NJASK7 Scores - 2009
Carteret School District

Test	Geography	Partially Proficient	Proficient	Advanced
Language Arts	Carteret	44.5	49.4	6.2
	State	27.6	54.1	18.3
Mathematics	Carteret	47.9	33.7	18.4
	State	33.3	42.9	23.9

Source: New Jersey School Report Cards

Table 40
NJASK8 Scores - 2009
Carteret School District

Test	Geography	Partially Proficient	Proficient	Advanced
Language Arts	Carteret	27.6	69.2	3.1
	State	17.5	71.3	11.2
Mathematics	Carteret	25.6	41.9	32.5
	State	28.2	42.0	29.8
Science	Carteret	20.6	69.3	10.1
	State	15.4	54.0	30.6

Source: New Jersey School Report Cards

The tables indicate that, nearly across the board, the District's test scores trend somewhat lower than the State average. A comparison of the District's test scores with the State average reveals that one of the factors contributing to the lower scores is the District's tendency to exhibit a higher percentage of students with partially proficient test scores and a lower percentage with advanced test scores.

The NJ Department of Education has also identified the Columbus elementary school as being in need of improvement due to low scores on the ASK tests. In addition, an

early warning has been issued for the Nathan Hale elementary school for the same reason.

Previously, tests were given to students in grades 4 and 8. The following tables summarize the test scores for the years 1999 and 2000.

Table 41
ESPA Scores – Language Arts
Columbus Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	52.6	46.6	0.6
2000-2001	21.8	74.4	7.6
2001-2002	26.2	71.4	2.4

Source: New Jersey School Report Cards

Table 42
ESPA Scores - Mathematics
Columbus Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	44.8	47.4	7.8
2000-2001	48.7	40.4	10.9
2001-2002	48.8	31.0	20.2

Source: New Jersey School Report Cards

Table 43
ESPA Scores - Science
Carteret School District

Year	Partially Proficient	Proficient	Advanced
1999-2000	18.9	73.3	7.8
2000-2001	21.8	59.6	18.6
2001-2002	-	-	-

Source: New Jersey School Report Cards

Table 44
ESPA Scores – Language Arts
Minue Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	56.7	43.3	0
2000-2001	14.3	78.2	7.6
2001-2002	22.2	75.3	2.5

Source: New Jersey School Report Cards

Table 45
ESPA Scores - Mathematics
Minue Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	35.6	52.9	11.5
2000-2001	39.5	44.5	16.0
2001-2002	40.7	40.7	18.5

Source: New Jersey School Report Cards

Table 46
ESPA Scores - Science
Minue Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	18.3	67.3	14.4
2000-2001	16.0	58	26.1
2001-2002	-	-	-

Source: New Jersey School Report Cards

Table 47
ESPA Scores – Language Arts
Nathan Hale Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	-	-	-
2000-2001	-	-	-
2001-2002	27.8	70.4	1.9

Source: New Jersey School Report Cards

Table 48
ESPA Scores - Mathematics
Nathan Hale Elementary School

Year	Partially Proficient	Proficient	Advanced
1999-2000	-	-	-
2000-2001	-	-	-
2001-2002	38.9	46.3	14.8

Source: New Jersey School Report Cards

Graduation Rate

Another measure of performance is the high school graduation rate. The Carteret School District exhibits a slightly lower graduation rate than the State average. In part, this is due to the difficulty in retaining students who do not plan on attending

college or other schools of higher education, but rather intend on entering the work force.

Table 49
Graduation Rate – 1999-2000 and 2008-2009
Carteret, New Jersey

School	1999-2000	2008-2009
Carteret High School	91.8	92.8
State Average	92.9	93.3

Source: New Jersey School Report Cards

The High School has attempted to address the dropout rate through an out-of-district alternative curriculum. Essentially, some students who do not seek to attend college or other schools of higher education, instead seek full-time employment shortly after turning 16 years of age. This situation is addressed by an alternative curriculum designed to maintain their interest in education and thus achieving graduation. However, due to the rising cost of such off-site programs, the School District may not be able to continue them in the near future.

School District Budget

School districts are required to adopt annual operating budgets, similar to municipalities. The budgets summarize the source of revenues necessary to cover the costs associated with running the school district. These budgets are generally adopted in April of each year.

A review of the budget adopted for the 2009-2010 school year shows the school district has total costs and revenues of \$57,392,624. Table 50 summarizes school district revenues, while Tables 51, 52, 53, 54, 55 and 56 summarize costs.

Carteret School District Revenues

Table 50 indicates that the bulk of revenues in 2009-2010 came from the local tax levy, which comprises 44.1 percent of revenues, and State Equalization Aid, which comprises 39.4 percent. Other categories of State revenues sum to \$6,656,546, bringing total revenues from State sources to \$28,365,928, or 49.4 percent. The remaining 4.1 percent of revenues come from Federal Aid, which totals \$2,581,695.

In comparison, the 1999-2010 school district budget shows a higher reliance on the local tax levy due to somewhat lower levels of State and Federal funding. In particular, the local tax levy was 16,252,386, or 51.0 percent of the overall budget.

The specific financial aid programs administered by the State's Department of Education have changed over the past ten years and Carteret has benefited from an

increase in the percentage of its school district budget comprised of State aid revenues. In particular, the Equalization Aid program replaced the former Core Curriculum Standards Aid program, and the Preschool Education Aid Program replaced the former Early Childhood Aid Program. Overall, despite no longer qualifying for certain aid programs, such as the Demonstrably Effective Aid Program, the Carteret School District has approximately doubled revenues from all State educational aid programs. Accordingly, State aid program revenues in 2009-2010 constituted 49.4 percent of all revenues in Carteret's school district budget; a 6.2 percent increase from 1999-2000.

Similarly, revenues from Federal sources have increased substantially over the past ten years. In 1999-2000, Federal funding constituted about 2.5 percent of all school district revenues. By 2009-2010 funding from Federal sources increased from \$788,940 to \$2,581,695. It now constitutes 4.5 percent of overall school district revenues.

Table 50
School District Revenues – 1999 and 2009
Carteret, New Jersey

Budget Category	1999 Budget (\$)	2009 Budget (\$)
Local tax levy	16,252,386	25,306,566
Other restricted misc. revenues	122,000	186,905
Revenues from local sources	16,374,386	25,493,471
Core Curriculum Standards Aid	8,394,550	N/A
Equalization Aid	N/A	22,634,932
Special Education Aid	1,311,386	2,120,972
Bilingual Aid	131,689	N/A
Early Childhood Program Aid	1,526,984	N/A
Demonstrably Effective Program Aid	1,081,644	N/A
Distance Learning Network Aid	131,694	N/A
Other Restricted Entitlements	255,875	N/A
Adjustment for Prior Year Encumbrances	145,842	
Security Aid	N/A	1,211,277
Transportation Aid	357,563	446,265
Extraordinary Aid	N/A	225,000
Preschool Education Aid	N/A	754,050
Other Entitlements	N/A	171,500
Debt Service Aid	452,661	801,932
Revenues from State Sources	13,789,888	28,365,928
Medicaid Reimbursement		78,095
Title I	402,723	845,000
Title IV	19,056	
IDEA, Part B	305,848	1,062,000
Other	61,313	596,600
Revenues from Federal Sources	788,940	2,581,695
Early Childhood Capital Reserve	926,400	N/A
Budgeted Fund Balance	N/A	953,530
TOTAL REVENUES	31,879,614	57,394,624

Source: Carteret School District

Carteret School District Expenditures

The largest cost category in the school district's budget is general expenses, which includes instruction and support services. Instruction costs include such items as regular instruction, special education, bilingual education, sports and extra-curricular activities, and other school-sponsored programs. Overall, general expenses include salaries, textbooks, supplies, building maintenance, and similar costs related to the daily operations of the school district.

Table 51
School District Expenditures
General Current Expenses – 1999 and 2009
Carteret, New Jersey

Budget Category	1999-2000 Budget	2009-2010 Budget	Percent change
Instruction – Regular programs	9,871,063	16,143,632	63.6
Instruction – Special education	2,079,492	4,529,071	117.8
Instruction – Bilingual	518,203	966,066	86.43
Instruction – Extracurricular activities	64,094	99,710	55.6
Instruction – School sponsored athletics	300,500	538,967	79.4
Other instructional programs	1,506,489	-	-
Attendance and social work services	8,600	129,711	1,408.3
Health services	220,288	384,762	74.7
Speech, OT/PT, related & extraordinary services	244,392	351,682	31.2
Improvement of instructional services	29,000	571,685	1,871.3
Education media services – School library	334,097	413,470	23.8
Support services – General administration	748,001	1,164,063	55.6
Support services – School administration	1,335,186	2,105,801	57.7
Operation & maintenance of plant services	2,158,211	4,532,794	110.0
Student transportation services	1,142,058	2,603,254	127.9
Personal services – Employee benefits	3,135,152	9,164,876	192.3
Other support services	2,104,679	7,906,089	275.6
Total General Current Expenses	25,799,505	51,605,633	100.0

Source: Carteret School District

Table 52
School District Expenditures
Capital Outlays – 1999 and 2009
Carteret, New Jersey

Budget Category	1999-2000 Budget	2009-2010 Budget	Percent change
Equipment	204,072	-	-
Facilities acquisition & construction services	204,000	-	-
Total Capital Outlays	408,072	-	-

Source: Carteret School District

Table 53
School District Expenditures
Special Schools Expenses – 1999 and 2009
Carteret, New Jersey

Budget Category	1999-2000 Budget	2009-2010 Budget	Percent change
Summer school	7,500	3,000	(60.0)
Evening school for foreign born	8,000	5,091	(36.4)
Other special schools	8,000	75,000	837.5
Special School Expenses	15,500	83,091	436.1

Source: Carteret School District

Table 54
School District Expenditures
Special Grants and Entitlements Expenses – 1999 and 2009
Carteret, New Jersey

Budget Category	1999-2000 Budget	2009-2010 Budget	Percent change
Early Childhood Program	2,453,384	-	-
Demonstrably Effective Program	1,081,644	-	-
Distance Learning Network	131,694	-	-
Other State projects	255,875	171,500	(33.0)
Preschool Education	-	754,050	-
Title I	402,723	845,000	109.8
Title IV	19,056	-	-
I.D.E.A. Part B	305,848	1,062,000	247.2
Other Federal projects	61,313	596,600	873.0
Total Special Grants and Entitlements Expenses	4,711,537	3,429,150	(27.2)

Source: Carteret School District

Table 55
School District Expenditures
Debt Service – 1999 and 2009
Carteret, New Jersey

Budget Category	1999-2000 Budget	2009-2010 Budget	Percent change
Repayment of Debt - Regular	945,000	2,276,750	140.9
Debt Service	945,000	2,276,750	140.9

Source: Carteret School District

Table 56
School District Expenditures
Summary of Expenses – 1999 and 2009
Carteret, New Jersey

Budget Category	1999-2000 Budget	2009-2010 Budget	Percent change
General current expenses	25,799,505	51,605,633	100.03
Capital expenditures	408,072	-	-
Special schools	15,500	83,091	4,360.71
Special grants and entitlements	4,711,537	3,429,150	(27.22)
Debt service	945,000	2,276,750	140.93
Total Expenditures	31,879,614	57,394,624	80.04

Source: Carteret School District

A comparison of the school district budgets for 1999-2000 and 2009-2010 reveals that overall expenditures increased by 80 percent over that ten-year timeframe. The bulk of this increase can be attributed to payroll and benefit program costs and debt service. The largest increases relate to employee salaries and benefits, and fall under instruction expenses (largely comprised of staff salaries), various support services (which include items such as guidance, child study teams and transportation services), and employee benefits. All together these expenditures rose from \$25,799,505 to \$51,605,633; an increase of 100 percent. Debt service rose from \$945,000 in 1999-2000 to \$2,276,750 in 2009-2010.

However, even given these increases over that past ten years, per pupil expenditures for the district remain somewhat lower than the State average. In 1999-2000, total per pupil cost for the district was \$8,578, as compared to the State average of \$7,857. By 2009-2010, per pupil expenditures for the district rose to \$13,045, compared to the State average of \$15,168. In recent years the district has maintained a level of expenditures that is somewhat below the State average. However, a review of the past three years shows that the gap between the school district's total per pupil expenditures and the State average has been steadily diminishing from 81.1 for the 2006-2007 school year to 86.0 for the 2009-2010 school year.

School District Operations

Student/Faculty Ratio

The student/faculty ratios for the schools within the Carteret School District are generally a little higher than the State average. This information has been tracked by the NJ Department of Education since the 1993-1994 school year. A review of the data reveals that although there is some annual fluctuation at each of the schools, all of the schools, with the exception of the High School, exhibited a decrease in the student/faculty ratio. This is consistent with the pattern exhibited by the State as a whole. The greatest variation was exhibited at the Middle School and Nathan Hale School, both of which decreased by more than ten percent over a five-year period. In contrast, the High School exhibited a four-percent increase in its student/faculty ratio during this same time period.

Table 57
Student/Faculty Ratio – 2003-2004 and 2008-2009
Carteret, New Jersey

School	2003-2004	2008-2009
Carteret High School	11.4	11.9
Carteret Middle School	13.4	11.7
Columbus Elementary School	11.4	11.2
Minue Elementary School	13.6	13.2
Nathan Hale School	14.8	13.1
State Average	11.4	11.1

Source: New Jersey School Report Cards

Academic Offerings

The School District is currently reviewing its Advanced Placement course offerings. Students of AP classes must achieve a minimal test score in order to qualify for a waiver of associated lower level college course offerings. The high number of students passing the test with low scores and thus not qualifying for waivers from required lower level college courses has prompted the School District to re-evaluate which AP course offerings will be continued in the 2010-2011 school year.

Athletic/Extracurricular Programs

The School District added wrestling as an athletic offering for the 2005-2006 school year. However, in view of the cuts in State aid and the failure to approve the upcoming school year budget, cutbacks are likely to be made in freshman and middle

school sports programs for the 2010-2011 school year. This would be consistent with the preliminary plans of many Middlesex County school districts.

Operations and Facilities

Residents have voted down the Carteret School District budget for the past 20 years. This has impacted the school district operations in the form of faculty and program cutbacks. For example, three years ago, the school district had to cut approximately 40 staff members due to budget cuts. In part, this was accomplished by having the elementary schools share language, media, guidance and other support specialists. Previously, each elementary school had its own specialist for each of these specialties.

The District is also slated to reduce costs associated with alternative off-site and attendance programs. For example, court costs associated with litigating parents for not addressing truancy are high and are subject to being cut back for the coming school year.

The School District has been considering the need for an additional academic building. Some of the schools have reached, or exceed, their functional capacity. One of the concepts being considered is the construction of a new early learning center. This facility would accommodate both all-day pre-school and kindergarten classes. The additional classroom space would then allow for a reorganization of grades, with the three elementary schools consisting of grades 1-6, and the Middle School would then house grades 7-8. The High School would remain unchanged. Due to the costs associated with a new building, as well as recent cutbacks in revenues, plans to construct any new facilities have been put on hold.

CARTERET UEZ AND SID FINANCIAL PERFORMANCE AND JOB CREATION

A. Introduction¹¹²

New Jersey's Urban Enterprise Zones (UEZ) Program was enacted in 1983. The UEZ Program was created to foster an economic climate that revitalizes designated urban communities. It stimulates their growth by encouraging businesses to develop and create private sector jobs through public and private investment. Considered an economic development success story, the UEZ Program supports nearly 150,000 full-time jobs statewide and has attracted more than \$24 billion in private investment. Almost 7,000 businesses of all sizes and types currently participate and benefit from the UEZ program; over the history of the program, over 26,000 businesses have enjoyed UEZ Program benefits.

Under the program, sales tax revenues generated by UEZ businesses are dedicated for use within the zones for economic development projects. To date, over 2,248 such projects have been approved at a value of over \$763 million.

The UEZ Program offers participating businesses incentives that encourage business growth and stimulate local economies. According to the UEZ website, those incentives include the following:

- Businesses participating in the UEZ Program can charge half the standard sales tax rate on certain purchases. UEZ businesses also may enjoy tax exemptions on certain purchases. Manufacturers may qualify for sales tax exemption on their energy and utility consumption when they meet specified employment and other criteria.
- For each new permanent full-time employee hired, businesses may receive a one-time \$1,500 tax credit.
- Employers may also benefit from subsidized unemployment insurance costs for certain employees who earn less than \$4,500 per quarter.
- The UEZ Program allows a tax credit against the Corporate Business Tax up to eight percent of qualified investments within the zone. Businesses may be eligible for priority financial assistance. UEZ manufacturers with at least 250 employees, over 50 percent of whom are involved in a manufacturing process,

¹¹² This entire section of the report is based on Kathy Shaw's UEZ report to the State of New Jersey, 2010. A copy of this document is in the Appendix.

may apply for sales tax exemption on energy and utility services (natural gas and electricity).

B. Carteret's UEZ

Carteret was designated an UEZ in 1997. With a total of 2,697 full time jobs and an additional 258 part time jobs, Carteret is the UEZ leader among small UEZ towns (100 or less UEZ certified businesses) and job creation, and has been since 1997. In addition, Carteret investments are ranked 7th highest of all the 37 zone cities with \$858,349,778 in total revenue invested since the program inception in 1984. The top ranked for revenue investments are the much larger Jersey City, Newark, Elizabeth, Vineland, Camden, and Millville. Carteret's UEZ designation was extended in February 2010.



Photo 41. Carteret UEZ.

Carteret UEZ Projects

Carteret's UEZ Small Business Programs show that for every \$1 UEZ grant, loan, or matching grant, a total of \$55 in private capital investments results. Cumulatively,

UEZ total investments in Small Business Matching Grant Program for Facades, Signs/Awnings has invested \$128,588 of UEZ Project funds, obtaining a total of \$99,181 from Carteret Business Partnership, Inc. and \$2,321,975 in private-sector capital investments tied to the UEZ Matching Grant Program. Total Carteret capital investments of \$2.5 million were implemented through UEZ funded Small Business Programs. Additional leveraging of private sector funding comes from the UEZ Loan Program and the UEZ Start-Up Grant Programs, which are components of SID Loan, Marketing Assistance and CDBG Start-Up Grant funding resources that comprise the Carteret Small Business Programs. Since 1997, Carteret's UEZ invested in the following according to the 2010 UEZ Report on Performance to New Jersey.

Roosevelt Avenue Streetscape Improvements	\$2,508,930
Washington Avenue Facade Improvement & Acquisition	\$ 800,000
Local Business Development	\$ 760,000
Health and Wellness Center	\$ 600,000
Micro Loan Program	\$ 350,000
Facade/Sign/Awning Matching Grants	\$ 175,000
Start Up Grant	\$ 150,000
Marketing	\$ 150,000
Library PC Lab (Equipment & FFE)	\$ 40,000
Total Invested	\$5,533,930

Carteret UEZ Success Stories

Carteret currently has eighty businesses participating in the New Jersey Urban Enterprise Zone Program. The following is a summary of capital investment and job creation for several of the largest businesses within the Carteret program.

ShopRite of Carteret, Inc. (UEZ File # 7803), 801 Roosevelt Avenue. ShopRite's current number of full-time employees is 60, part-time 81, for a total of 141 employees. Their capital investment total since 1995 is \$6,000,000. Their projected capital investment for the next program year is \$250,000.

P.C. Richard and Son LLC (UEZ File#28150), 8 Germak Drive, near Minue and Roosevelt Avenue, fronting the NJ Turnpike in West Carteret. P.C. Richard has 75 employees in their warehouse and office facilities. They have invested \$24,823,820 and have additional planned investments for the retail center during 2010. When completed, the new store is expected to generate between \$10 to \$20 million in annual sales, and \$350,000 to \$700,000 in sales taxes at half of 7 percent rate.

A. Duie Pyle, Inc. (UEZ File # 12636), 5000 Industrial Road, near Roosevelt Avenue. In 1997, they had 48 employees. Currently they have 246 full time and 56 part-time employees (302 total). They have not received Zone Assistance Funds, but have

invested \$6,371,597 in capital improvements since 1997. No projected investments have been reported for the upcoming year.

White Rose Food (UEZ File # 7798), 380 Middlesex Avenue, near Industrial Road. White Rose Food expanded to Carteret in December 1994 from their headquarters in Somerset, NJ. In 1995, they had 330 full time employees. Their current full-time employee count is 550 employees. White Rose Food, Carteret's largest employer, is a wholesale distributor of food and related products. They have never received Zone Assistance Funds. The business has reported \$17 million in capital investments since 1995. They have projected \$1.7 million dollar capital investments for the upcoming year.

Rose Trucking Corporation (UEZ File # 7804), 380 Middlesex Avenue, near Industrial Road. The distribution arm of White Rose Foods, Rose Trucking Corporation has 110 full time employees. They have never received Zone Assistance Funds. Rose Trucking has reported \$7 million dollars in capital investments since 1995. They have no projected capital investments for the upcoming year.

Burger Express of Roosevelt Avenue LLC (UEZ File #28249), This business had to relocate because of the NJ Turnpike Exit 12 expansion, to a new \$2.5 million dollar location and facility on Roosevelt Avenue. Burger Express has 30 employees. Since the \$2.4 million dollar construction investment, Burger Express of Roosevelt Ave LLC has invested \$262,154 in capital investments in Carteret and projects an additional \$275,000 for 2010.

Kinder Morgan Liquids Terminals, LLC (UEZ File #18722), Salt Meadow. Formerly GATX, Kinder Morgan Liquid Storage Terminals currently has 165 employees, the largest number since the Kinder Morgan acquisition in 2001. With the 15 acre expansion signed in 2010 comes an additional 250 private-sector jobs that will be created upon the facility's completion. Kinder Morgan's total capital investment since 2001 is in excess of \$137 million dollars and their projection for 2010 is in excess of \$33 million.

Nu World Corporation (UEZ File #12446), 300 Milik Street. Since 1997, Nu World has expanded their employee base from 149 employees to their current employee level of 260 and have a total of \$14 million capital investments with a projected investment for 2010 of \$950,000. They are anticipating additional growth and expansion in 2010. Nu World produces botanical and medicinal cosmetic design and packaging manufacturing.

Porky Products, Inc (UEZ File 17048), 400 Port Carteret Drive, Port Carteret. This farm product warehousing and wholesale distributor of food products started the operation with 166 full time jobs and currently hosts 212 full time positions. Starting

in 2007 they invested over \$4 million in capital improvements in Carteret. (Source: UEZ report on Performance to NJ, 2010)

Motts (Dr. Pepper/Snapple, Cadbury Schweppes), 800 – 1200 Milik Street. Moved from Central NJ, the current number of full-time employees is 153. Motts relocated to 1200 Milik with its expansion into leased space at 800 Milik in 2008. Their capital investment with this relocation is estimated to be \$3,000,000.

Other Jobs Created by Development

The transformation of Carteret's underutilized sites into new commercial and mixed use developments will become a catalyst for major new capital investment, employment opportunities, and enhancement of the local tax base. Over the last decade, 3,390,450 square feet of industrial floor space and 904,230 square feet of residential (816 units) were developed based on extrapolations of municipal tax records and aerial photographs of the Borough.

Employment projections for the mixed-use development are based on industry standards, trade associations and discussions with developers, as well as the Urban Land Institute's *Development Impact Assessment Handbook*¹¹³ and the Rutgers University's *Fiscal Impact Handbook*¹¹⁴.

B. Employment Projection

Using the parameters of one job per 1,000 square feet of industrial space, and one job per 20 apartment units, permanent jobs created by development are estimated to be 3,400 total; 3,360 for the industrial and 40 for the residential. As more development projects are completed, more jobs will be created. Occupational requirements will range from unskilled to managerial and professional positions. Employment will encompass a broad range of service, retail related, office and technical support jobs, as well as managerial and professional functions.

Approximately 2,800 temporary construction-related jobs would have been created over the construction phase of all the new development projects that have occurred over the last decade. This is based on an industry standard of 15 jobs per million dollars in construction costs and a \$182.2 million cost to create the improvements in the development projects. Construction employment excludes Cadbury Schweppes since they were an industrial use that relocated into industrial buildings already suited for that purpose.

¹¹³ Robert Burchell et. al., *Development Impact Assessment Handbook*, Urban Land Institute, Washington DC 1994. Book used as reference source.

¹¹⁴ Robert Burchell, David Listokin, Rodney Lake, et. al. *The Fiscal Impact Handbook, Estimating Local Costs and Revenues of Land Development*. Center for Urban Policy Research (Rutgers University). New Brunswick, NJ. 1978. Book used as reference source.

C. Indirect Employment Benefits

Typically, economic development officials assume that for each new permanent job created in the community an additional one to two jobs will be created as a result of the new project. Therefore, the employment impact can double, and possibly triple in the community, creating an additional 8,000 to 16,000 indirect employment opportunities.

Although difficult to quantify, the immediate area should witness a decline in unemployment. Significantly, the redevelopment of the Site will provide economic and community benefits by bringing an underutilized site into productive use.

REAL PROPERTY ASSESSMENT AND TAX ANALYSIS

The influx of new development has positively impacted the tax situation in Carteret. Property values rose greatly compared to the Middlesex County average while the overall burden has fallen significantly. As a result, Carteret has generated more return for the individual taxpayer by redistributing the burden to the new businesses located in the Borough.

Basis of Real Property Value: Statutory Provisions

Every assessment of real property must be based upon some sort of appraisal. Numerous methods are available for appraising the value of real property. The selection of the proper method depends upon the purpose of the appraisal. In appraising a property for the purposes of tax assessment, the appraisal must be made in accordance with the basis of real property value recognized by State law, as interpreted by the courts.

The Standard of Value

The New Jersey State Constitution requires that real property be assessed throughout the state according to the same standard of value. Statutes define the standard of value as the true value of the property. The statutes then go on to define true value as the price at which, in the assessor's judgment, each parcel of real property would sell for at a fair and bona fide sale by private contract on October first next preceding the date on which the assessor shall complete his assessments. Once the assessment is established it is used as a basis to finance municipal budgets by the levying of taxes.

Based upon documentation shown in Tables 58 - 63, between 2004 and 2009 the total real property assessments increased from \$970,821,300 to \$1,012,787,363. This represents an increase in assessments of 4.32 percent over the period. Over the same term, Middlesex County total real property assessments increased from \$40,594,461,580 in 2004 to \$48,461,152,413 in 2009, or 19.38 percent. At first glance, it appears that Carteret has under-performed compared to Middlesex County. However, to be relevant these figures must be put into perspective for purposes of comparison. This is done by applying an "equalization ratio" to establish the implied fair market value of properties in the municipality. Fair market value is the true measure of a property's worth.

Overview of Equalization

Equalization is the leveling process by which aggregate assessed values of real property in a taxing district are brought to true value for the following purposes:

1. Equitable apportionment of monies used for state school aid.
2. Equitable distribution of the cost of county government and shared budgets.

Thus, equalization in property taxation can mean either ensuring a just assessed value is placed on individual properties as compared to other properties within a taxing district, or that the true value assigned to an entire municipality is fair and just.

Equalization in the aggregate is another way of saying equalization between municipalities within a county, or inter-municipal equalization. The purpose of equalization in the aggregate is to apportion budgets shared by two or more municipalities in an equitable fashion based upon the overall true or equalized value of taxable ratables contained within the individual municipalities. Although equalization in the aggregate has been a feature of New Jersey tax laws since 1799, it was not translated into standardized practice in any major sense until the mid 1950's.

Breakdown by Property Classification

In terms of property classifications, the distribution of land types in Carteret has been remarkably stable, hovering around 5,600 parcel counts from 2004 to 2009. Of these, less than five percent are vacant, Class 1 parcels. Although Class 4C properties, i.e. apartments with greater than 4 units, have increased from 10 to 14 multifamily dwelling units, the commercial base has declined in terms of commercial, Class 4A parcel counts. This is not surprising as regional malls and distribution centers are now in vogue and provide destination-shopping alternatives for consumers and highway, medical, and office uses are increasingly being provided in more central, easily accessible locations. The decline in Class 4B properties is consistent with national trends that have been prevalent for decades as the manufacturing base has eroded. Despite the declines in commercial and industrial parcel counts, Carteret's implied market value of all Class 4 properties has increased from \$591,173,116 to \$1,005,085,880, which represents a 70.02 percent growth rate in commercial based properties, which easily outdistances the residential component properties.

Notwithstanding the above, after applying the appropriate equalization ratios to the real property assessments in Carteret, a better indication of the tax burden and how well Carteret has performed relative to other municipalities in the county can be understood. As shown in Tables 64 – 69, between 2004 and 2009 the implied market

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value of all real property in Carteret increased from \$1,647,693,992 to \$2,723,970,853. This represents an increase in real property values of 65.32 percent over the period or an average of 10.88 percent per year. Over the same period of time the aggregate implied market value of property in Middlesex County increased from \$77,004,466,958 to \$111,014,524,284. This represents an increase of 44.2 percent or, on average, 7.36 percent per year indicating that growth rates of property values in Carteret have increased nearly 50 percent more than the county at large over the referenced time period.

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Table 58
Table of Equalized Valuation - 2004
Carteret, New Jersey

Table of Equalized Valuations 2004
 (Prior to Tax Court Appeals)

	1	2	3	4	5	6
COUNTY AND DISTRICT	AGG. ASSESSED VALUATION REAL PROP. *	AVE. RATIO ASSESSED TO TRUE VALUE	AGG. TRUE VALUE REAL PROP. *	ASSESSED VALUE CLASS II R. R. PROPERTY	ASSESSED VALUE ALL PERS. PROPERTY	EQUALIZED VALUATION
MIDDLESEX COUNTY						
1201 CARTERET BORO	970,821,300	58.92	1,847,893,892	0	2,362,794	1,850,056,786
1202 CRANBURY TWP	544,105,665	49.70	1,094,779,809	0	1,223,865	1,096,003,874
1203 DUNELL EN BORO	141,815,900	29.79	492,887,009	0	1,062,452	493,679,461
1204 EAST BRUNSWICK TWP	3,033,647,700	31.82	6,431,523,403	0	5,137,447	6,436,660,850
1206 EDISON TWP	7,228,367,115	65.26	11,076,259,753	0	15,021,082	11,091,280,835
1206 HELMETTA BORO	61,437,800	34.95	175,787,697	0	114,476	175,902,173
1207 HIGHLAND PARK BORO	530,660,100	46.73	1,135,416,435	0	517,461	1,135,933,896
1208 JAMESBURG BORO	236,804,900	60.80	389,646,217	0	1,647,956	391,494,173
1209 METUCHEN BORO	952,196,700	66.63	1,481,435,105	0	5,830,566	1,687,265,701
1210 MIDDLESEX BORO	495,595,900	40.12	1,236,293,698	0	724,295	1,236,008,193
1211 HILL TOWN BORO	484,257,800	60.17	771,676,633	0	434,589	772,011,332
1212 MONROE TWP	2,854,179,500	61.83	4,616,172,570	0	5,049,077	4,622,221,647
1213 NEW BRUNSWICK CITY	1,258,667,600	53.07	2,372,089,839	0	44,598,679	2,416,687,616
1214 NORTH BRUNSWICK TWP	2,447,886,900	69.52	3,520,838,464	0	4,835,803	3,525,474,267
1215 OLD BRIDGE TWP	3,180,162,200	57.60	5,536,476,042	0	6,555,100	5,543,031,142
1216 PERTH AMBOY CITY	1,376,894,800	58.95	2,336,695,387	0	4,048,742	2,342,744,129
1217 PISCATAWAY TWP	2,262,623,900	45.58	4,942,132,295	0	11,482,061	4,953,614,356
1218 PLAINS BORO TWP	2,054,017,300	55.58	3,482,965,785	0	5,242,622	3,487,908,407
1218 SAYREVILLE BORO	2,183,407,200	59.34	3,686,338,389	0	5,302,486	3,701,640,877
1220 SOUTH AMBOY CITY	206,596,900	31.68	648,452,281	0	381,100	648,833,381
1221 SOUTH BRUNSWICK TWP	3,861,211,800	65.09	5,832,112,152	0	12,397,236	5,844,509,388
1222 SOUTH PLAINFIELD BORO	1,422,384,800	48.96	2,905,218,137	0	3,975,582	2,909,194,119
1223 SOUTH RIVER BORO	426,288,200	35.21	1,207,861,871	0	538,466	1,208,401,437
1224 SPOTSWOOD BORO	206,560,500	31.83	658,374,175	0	1,045,378	659,419,553
1225 WOODBRIDGE TWP	3,179,839,600	35.28	8,013,180,510	0	10,424,066	8,023,574,576
TOTAL MIDDLESEX COUNTY	40,694,461,586		77,004,466,858	0	150,884,822	77,155,451,780

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Table 59
Table of Equalized Valuation - 2005
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Table of Equalized Valuations, 2005
 (It Amended by the Tax Court for 2005)

COUNTY AND DISTRICT	1	2	3	4	5	6
	AGG. ASSESSED VALUATION REAL PROP. -	AVE RATIO ASSESSED TO TRUE VALUE	AGG. TRUE VALUE REAL PROP. -	ASSESSED VALUE CLASS II R. R. PROPERTY	ASSESSED VALUE ALL PERIL PROPERTY	EQUALIZED VALUATION
MIDDLESEX COUNTY						
1201 BRUNSWICK TWP	674,308,769	48.30	2,615,628,078	0	2,698,046	2,012,708,124
1202 CRANFORD TWP	545,018,866	42.31	1,972,623,865	0	1,972,623	1,365,887,428
1203 DUNELLEN BORO	143,208,975	26.05	571,692,515	0	960,523	372,633,070
1204 EAST BRUNSWICK TWP	2,020,194,300	28.41	7,110,609,996	0	4,724,877	7,115,334,873
1205 EDISON TWP	7,292,295,200	58.05	12,510,413,761	0	13,879,342	12,524,280,123
1206 HELM TTA BORO	69,681,000	29.66	214,703,304	0	106,570	214,609,874
1207 HIGHLAND PARK BORO	532,081,300	41.78	1,273,483,246	0	421,763	1,273,905,009
1208 JAMESBURG BORO	237,597,300	53.02	445,113,204	0	1,998,875	444,712,079
1209 JERSEY TWP	454,405,700	36.51	1,918,765,729	0	5,435,498	1,925,231,247
1210 MIDDLESEX BORO	1,055,000,000	36.46	3,442,600,000	0	3,442,600	2,488,400,000
1211 WILLOW TWP	485,378,000	64.69	847,846,498	0	360,854	848,201,262
1212 MONROE TWP	3,059,782,700	56.34	5,501,520,638	0	6,049,077	5,507,569,916
1213 NEW BRUNSWICK CITY	1,281,886,300	45.87	2,860,460,518	0	37,069,484	2,825,523,862
1214 NORTH BRUNSWICK TWP	2,457,728,500	62.05	3,960,893,865	0	4,297,268	3,965,181,274
1215 OLD BRIDGE TWP	3,259,875,000	51.45	6,323,326,887	0	5,817,590	6,329,144,767
1216 PERTH AMBOY CITY	3,392,893,950	50.28	2,171,196,478	0	3,199,833	2,773,986,313
1217 RUTHERFORD TWP	1,050,000,000	50.00	2,100,000,000	0	2,100,000	2,100,000,000
1218 PI ANBORO TWP	3,610,761,600	88.66	3,997,168,271	0	7,404,879	3,974,374,100
1219 SAYREVILLE BORO	2,239,897,700	62.62	3,584,466,288	0	4,684,785	4,269,151,084
1220 SOUTH AMBOY CITY	823,152,800	86.59	852,213,273	0	945,508	853,158,781
1221 SOUTH BRUNSWICK TWP	3,789,346,100	57.84	6,574,169,473	0	10,817,068	6,584,977,558
1222 SOUTH PLAINFIELD BORO	1,405,582,000	44.61	3,150,622,685	0	3,449,502	3,154,072,187
1223 SOUTH RIVER BORO	459,946,300	30.89	1,392,160,534	0	414,928	1,392,585,462
1224 SPOTSWOOD BORO	733,936,300	96.40	745,333,232	0	2,878,628	748,211,861
1225 TOWNSHIP OF CARTERET	3,293,945,658	30.23	10,897,102,414	0	7,971,333	10,905,073,747
TOTAL MIDDLESEX COUNTY	43,721,483,142		88,031,838,447	0	136,900,440	88,168,336,887

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Table 60
Table of Equalized Valuation - 2006
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Table of Equalized Valuations 2006
 (as amended by the Tax Court Appeals)

COUNTY AND DISTRICT	1	2	3	4	5	6
	AGG. ASSESSED VALUATION REAL PROP. . .	AVE RATIO ASSESSED TO TRUE VALUE	AGG. TRUE VALUE REAL PROP. . .	ASSESSED VALUE CLASS II R. R. PROPERTY	ASSESSED VALUE ALL PERS. PROPERTY	EQUALIZED VALUATION
MIDDLESEX COUNTY						
1201 CARTERET BORO	578,141,500	41.29	3,376,937,623	0	1,276,642	3,374,704,570
1202 CRANFORD TWP	619,374,865	35.58	1,750,841,562	0	549,773	1,751,691,260
1203 DUNELLEN BORO	143,133,775	22.36	640,133,162	0	813,249	640,846,411
1204 EAST BRUNSWICK TWP	2,022,361,800	29.29	7,710,109,798	0	4,111,799	7,714,221,594
1205 EDISON TWP	7,291,812,000	59.29	13,776,531,000	0	11,314,357	13,187,844,390
1206 HELMETTA BORO	64,874,900	29.39	246,807,394	0	84,484	245,774,868
1207 HIGHLAND PARK BORO	554,753,800	37.28	1,434,425,229	0	344,060	1,434,769,498
1208 IRVINGTON BORO	1,018,800,000	41.82	2,436,800,000	0	859,750	2,437,499,750
1209 METLICHEN BORO	567,465,000	43.62	2,212,739,748	0	4,855,299	2,217,595,047
1210 MIDDLESEX BORO	497,602,000	31.46	1,584,118,745	0	570,620	1,585,290,374
1211 MILLTOWN BORO	446,606,000	48.73	957,634,578	0	269,656	957,824,244
1212 MONROE TWP	3,370,067,000	48.47	6,952,634,805	0	5,100,159	6,958,094,964
1213 NEW BRUNSWICK CITY	1,299,532,100	40.85	3,134,177,503	0	30,953,637	3,165,681,140
1214 NORTH BRUNSWICK TWP	2,472,067,100	54.29	4,562,843,842	0	3,803,609	4,566,652,231
1215 PERTH AMBOY CITY	1,418,800,000	48.67	2,916,800,000	0	1,157,878	2,917,957,878
1216 PERTH AMBOY CITY	3,576,606,300	138.47	3,155,373,548	0	5,335,197	3,160,708,745
1217 PICATAWAY TWP	2,248,168,700	34.23	6,567,831,434	0	7,816,010	6,575,147,444
1218 PLAINSBORO TWP	3,849,446,300	92.63	3,939,810,637	0	6,903,585	3,946,714,090
1219 SAVILLE BORO	2,247,165,500	45.66	4,900,655,964	0	3,970,638	4,904,626,443
1220 SOUTH AMBOY CITY	839,830,000	88.18	952,620,690	0	833,819	953,454,509
1221 SOUTH BRUNSWICK TWP	3,844,711,200	48.93	7,922,339,172	0	8,262,283	7,931,601,455
1222 SOUTH FRENCH BORO	1,418,939,600	50.71	3,477,357,806	0	2,262,865	3,479,620,671
1223 SOUTH FRENCH BORO	748,841,700	86.22	864,806,472	0	320,865	865,127,337
1224 SPOFFORD BORO	248,841,700	86.22	284,806,472	0	2,824,570	287,631,042
1225 WOODBRIDGE TWP	3,213,790,832	26.51	12,122,600,811	0	6,532,695	12,129,133,507
TOTAL MIDDLESEX COUNTY	46,444,918,492		100,791,730,739	0	118,191,822	100,809,872,661

REDEVELOPMENT INITIATIVES SPURRING ECONOMIC STIMULUS AND GROWTH:
 HOW ONE NEW JERSEY COMMUNITY WAS REBORN
 A CASE STUDY OF THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY

Table 61
Table of Equalized Valuation - 2007
Carteret, New Jersey

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Table of Equalized Valuations 2007
 (Prior to Tax Court Appeals)

COUNTY AND DISTRICT	1	2	3	4	5	6
	AGG. ASSESSED VALUATION REAL PROP. *	AVE. RATIO ASSESSED TO TRUE VALUE	AGG. TRUE VALUE REAL PROP. *	ASSESSED VALUE CLASS II R. R. PROPERTY	ASSESSED VALUE ALL PERS. PROPERTY	EQUALIZED VALUATION
MIDDLESEX COUNTY						
1201 CARTERET BORO	976,964,674	39.94	2,446,980,806	0	1,406,309	2,447,487,115
1202 CRANFORD TWP	1,653,927,100	101.38	1,626,691,162	0	2,293,913	1,630,984,676
1203 DURELLEN BORO	143,267,100	20.08	713,076,655	0	646,200	713,722,655
1204 EAST BRUNSWICK TWP	2,015,368,900	25.06	8,042,174,381	0	3,720,869	8,046,695,360
1205 HELMETH TWP	7,359,343,300	47.67	15,215,333,245	0	10,316,965	15,225,750,210
1206 HIGHLAND PARK BORO	520,405,800	35.75	1,454,620,855	0	314,627	1,455,219,891
1207 HIGHLAND PARK BORO	239,905,800	43.11	555,595,878	0	1,245,478	556,841,956
1208 JAMESBURG BORO	965,427,600	42.31	2,284,158,828	0	4,251,461	2,288,410,289
1209 METLICHEN BORO	499,698,400	26.81	1,872,899,634	0	510,964	1,873,400,618
1210 MIDDLESEX BORO	466,777,800	45.58	1,024,084,688	0	268,667	1,024,353,355
1211 MILL TOWN BORO	3,551,953,900	48.47	7,643,541,209	0	4,651,085	7,648,192,294
1212 MONROE TWP	1,260,955,900	36.39	3,520,076,395	0	28,025,283	3,548,101,678
1213 NEW BRUNSWICK CITY	2,507,038,900	48.80	5,137,374,180	0	3,423,915	5,140,798,141
1214 NORTH BRUNSWICK TWP	3,335,270,900	42.58	7,832,851,151	0	4,492,915	7,837,444,066
1215 OLD BRIDGE TWP	3,575,020,400	95.98	3,794,745,574	0	5,491,349	3,790,246,923
1216 PERTH AMBOY CITY	2,228,570,000	32.67	6,821,456,994	0	7,446,835	6,828,903,829
1217 PISCATAWAY TWP	3,674,557,500	97.29	3,776,511,810	0	6,508,181	3,783,019,991
1218 PLAINSBORO TWP	2,284,010,000	42.16	5,370,542,694	0	3,577,707	5,374,120,401
1219 SAYREVILLE BORO	860,702,800	83.84	1,029,935,193	0	807,636	1,029,863,829
1220 SOUTH AMBOY CITY	3,822,934,100	47.04	8,339,370,791	0	7,715,751	8,347,086,542
1221 SOUTH BRUNSWICK TWP	1,433,085,400	37.10	3,862,763,881	0	2,718,361	3,865,483,242
1222 SOUTH PLAINFIELD BORO	426,021,600	24.91	1,710,243,276	0	2,544,522	1,710,536,698
1223 SOUTH RIVER BORO	743,745,500	81.32	914,391,121	0	9,064,500	917,136,843
1224 SPOTSWOOD BORO	3,205,109,452	23.82	13,455,535,063	0	9,064,500	13,464,599,563
1225 WOODBRIDGE TWP						
TOTAL MIDDLESEX COUNTY	48,260,583,026		108,817,896,456	0	112,066,368	108,929,963,424

Table of Equalized Valuations - Certified October 1, 2008
As amended by the New Jersey Tax Court - January 31, 2009 for use in tax year 2009

COUNTY		1	2	3	4	5	6
DISTRICT	DISTRICT	AGG. ASSESSED	AVE. RATIO	AGG. TRUE	ASSESSED	ASSESSED	EQUALIZED
CODE		VALUATION	ASSESSED TO	VALUE	VALUE CLASS II	VALUE ALL	VALUATION
		REAL PROP. *	TRUE VALUE	REAL PROP. *	R. R. PROPERTY	PERS. PROPERTY	
	MIDDLESEX COUNTY						
1201	CARTERET BORO	997,070,058	37.55	2,655,313,071	0	1,442,234	2,656,755,305
1202	CRANBURY TWP	1,848,504,800	100.13	1,846,104,864	0	2,439,568	1,848,544,432
1203	DUNELLEN BORO	143,472,050	20.22	709,555,143	0	594,075	710,149,218
1204	EAST BRUNSWICK TWP	2,017,751,600	24.48	8,242,449,346	0	3,641,776	8,246,091,122
1205	EDISON TWP	7,358,605,000	45.79	16,070,331,950	0	9,754,893	16,080,086,843
1206	HELMETTA BORO	249,230,300	97.52	255,568,396	0	312,839	255,881,235
1207	HIGHLAND PARK BORO	531,231,200	35.37	1,501,925,926	0	306,318	1,502,232,244
1208	JAMESBURG BORO	239,340,300	42.38	564,748,230	0	1,067,795	565,816,025
1209	METUCHEN BORO	967,501,000	40.75	2,374,235,583	0	3,619,308	2,377,854,891
1210	MIDDLESEX BORO	498,716,300	28.87	1,727,455,144	0	587,739	1,728,042,883
1211	MILLTOWN BORO	467,190,900	43.18	1,081,961,325	0	264,291	1,082,225,616
1212	MONROE TWP	3,604,836,500	44.88	8,032,166,889	0	4,621,929	8,036,788,818
1213	NEW BRUNSWICK CITY	1,279,213,000	37.15	3,443,372,813	0	22,196,451	3,465,569,264
1214	NORTH BRUNSWICK TWP	2,513,287,400	48.17	5,217,536,641	0	3,236,981	5,220,773,622
1215	OLD BRIDGE TWP	3,371,138,200	42.35	7,960,184,652	0	4,234,860	7,964,419,512
1216	PERTH AMBOY CITY	3,601,477,000	92.51	3,893,067,776	0	4,754,134	3,897,821,910
1217	PISCATAWAY TWP	2,226,727,900	32.04	6,949,837,391	0	7,652,141	6,957,489,532
1218	PLAINSBORO TWP	3,674,769,100	97.92	3,752,827,921	0	6,921,798	3,759,749,719
1219	SAYREVILLE BORO	2,275,473,300	41.63	5,465,945,952	0	3,152,566	5,469,098,518
1220	SOUTH AMBOY CITY	878,548,200	84.15	1,044,026,381	0	806,101	1,044,832,482
1221	SOUTH BRUNSWICK TWP	3,912,108,400	47.22	8,284,854,723	0	8,051,905	8,292,906,628
1222	SOUTH PLAINFIELD BORO	1,425,654,900	36.25	3,932,841,103	0	2,560,394	3,935,401,497
1223	SOUTH RIVER BORO	426,344,400	25.46	1,674,565,593	0	284,126	1,674,849,719
1224	SPOTSWOOD BORO	749,537,600	79.26	945,669,442	0	2,209,003	947,878,445
1225	WOODBRIIDGE TWP	3,174,620,152	22.95	13,832,767,547	0	17,190,255	13,849,957,802
	TOTAL MIDDLESEX COUNTY	48,432,349,560	43.45	111,459,313,802	0	111,903,480	111,571,217,282

Table 62
Table of Equalized Valuation - 2008
Carteret, New Jersey

REDEVELOPMENT INITIATIVES SPURRING ECONOMIC STIMULUS AND GROWTH:
HOW ONE NEW JERSEY COMMUNITY WAS REBORN
A CASE STUDY OF THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY

Table 63
Table of Equalized Valuation - 2009
Carteret, New Jersey

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Table of Equalized Valuations 2009
 (As amended by the New Jersey Tax Court Appeals)

COUNTY AND DISTRICT	1	2	3	4	5	6
	AGG. ASSESSED VALUATION REAL PROP. . .	AVE. RATIO ASSESSED TO TRUE VALUE	AGG. TRUE VALUE REAL PROP. . .	ASSESSED VALUE CLASS II R. R. PROPERTY	ASSESSED VALUE ALL PERS. PROPERTY	EQUALIZED VALUATION
MIDDLESEX COUNTY						
1201 CARTERET BORO	1,012,772,963	37.18	2,723,970,863	0	1,403,800	2,725,374,663
1202 CHANBURY TWP **	1,784,144,900	99.97	1,784,680,304	0	2,812,268	1,787,492,572
1203 DUNELLEN BORO	143,983,750	21.51	660,380,521	0	620,077	670,000,598
1204 EAST BRUNSWICK TWP	2,020,032,700	24.54	8,231,592,092	0	3,692,743	8,235,284,835
1205 EDISON TWP	7,307,140,500	45.48	16,107,144,326	0	9,519,148	16,116,663,474
1206 LITTLETON BORO	249,807,900	95.11	257,849,359	0	321,960	258,171,319
1207 LITTLETON BORO	235,911,300	44.86	525,514,071	0	1,148,541	526,662,612
1208 METUCHEN BORO	972,444,700	41.72	2,330,883,748	0	3,582,397	2,334,466,146
1210 MIDDLESEX BORO	489,526,500	28.52	1,692,162,940	0	700,947	1,692,863,887
1211 MILL TOWN BORO	464,243,000	45.08	1,029,820,319	0	287,873	1,030,108,192
1212 MONROE TWP	3,734,384,300	47.81	7,810,906,286	0	4,834,373	7,815,740,659
1213 NEW BRUNSWICK CITY	3,270,725,500	37.03	8,831,657,861	0	21,725,257	8,853,383,118
1214 NEW BRUNSWICK TWP	3,385,826,200	43.28	7,827,899,082	0	4,641,597	7,832,540,679
1215 NORTH BRUNSWICK TWP	3,611,935,700	92.31	3,912,832,621	0	4,781,112	3,917,613,733
1216 PLAINSBORO TWP	2,191,473,000	32.63	6,716,129,320	0	7,361,871	6,723,491,191
1217 PRISCATAWAY TWP	3,698,276,800	97.08	3,810,301,669	0	7,500,967	3,817,802,636
1218 SAYREVILLE BORO	2,275,805,200	42.99	5,295,608,326	0	3,293,854	5,299,099,182
1220 SOUTH AMHERST TWP	882,817,200	87.84	1,005,028,698	0	8,513,258	1,013,541,956
1221 SOUTH AMHERST TWP	1,424,282,400	34.84	4,123,574,408	0	2,812,373	4,126,386,781
1222 SOUTH RIVER BORO	426,503,200	26.36	1,618,767,248	0	308,688	1,619,075,937
1224 SPOTSWOOD BORO	744,803,300	80.97	919,603,927	0	2,207,708	921,811,635
1225 WOODBRIDGE TWP	3,153,100,900	22.06	14,293,295,104	0	16,684,618	14,309,979,722
TOTAL MIDDLESEX COUNTY	46,461,152,413	43.85	111,014,594,284	0	113,185,724	111,127,774,018

** Compliant from 2009 Title of Equalized Valuations revised as per Tax Court

Table 64
Parcel Count by Classification
Carteret, New Jersey

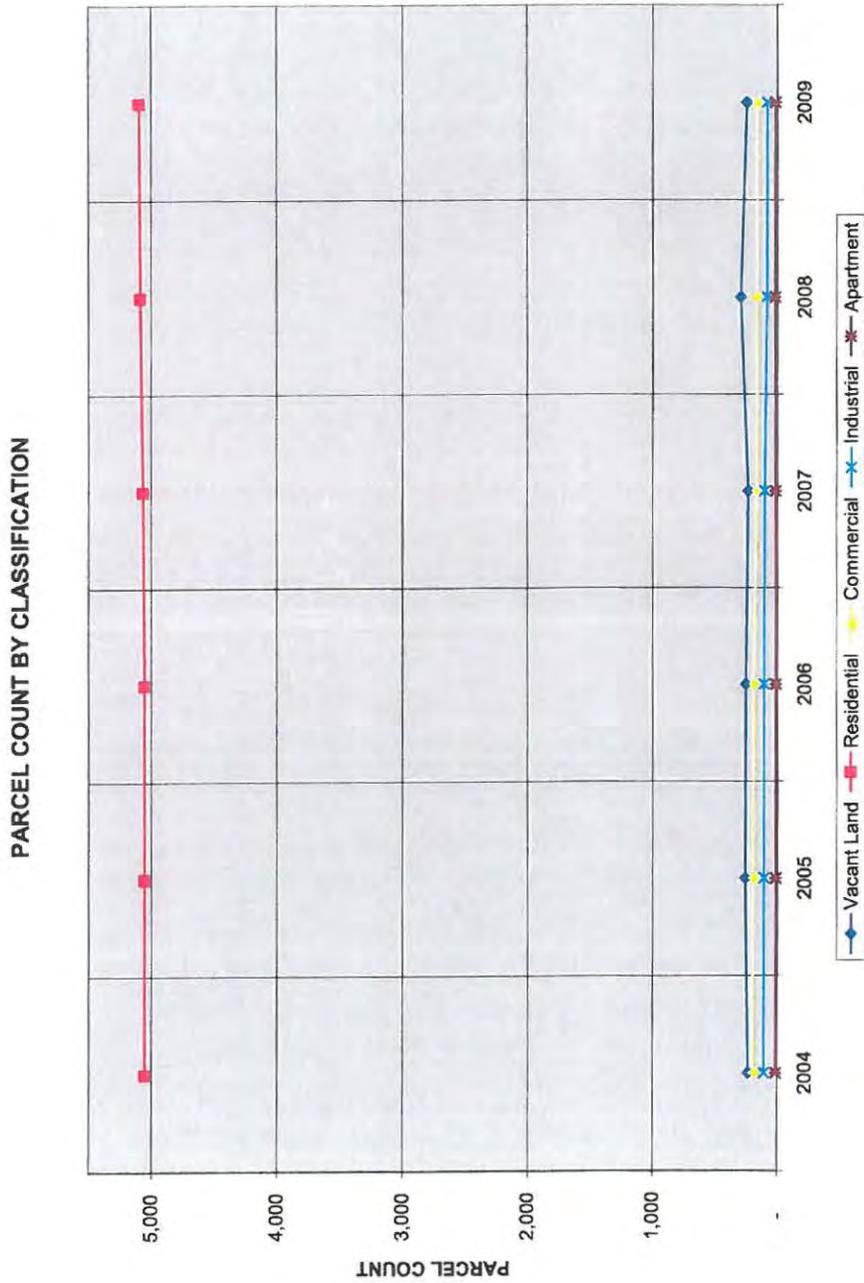


Table 65
Assessed Value by Property Classification
Carteret, New Jersey

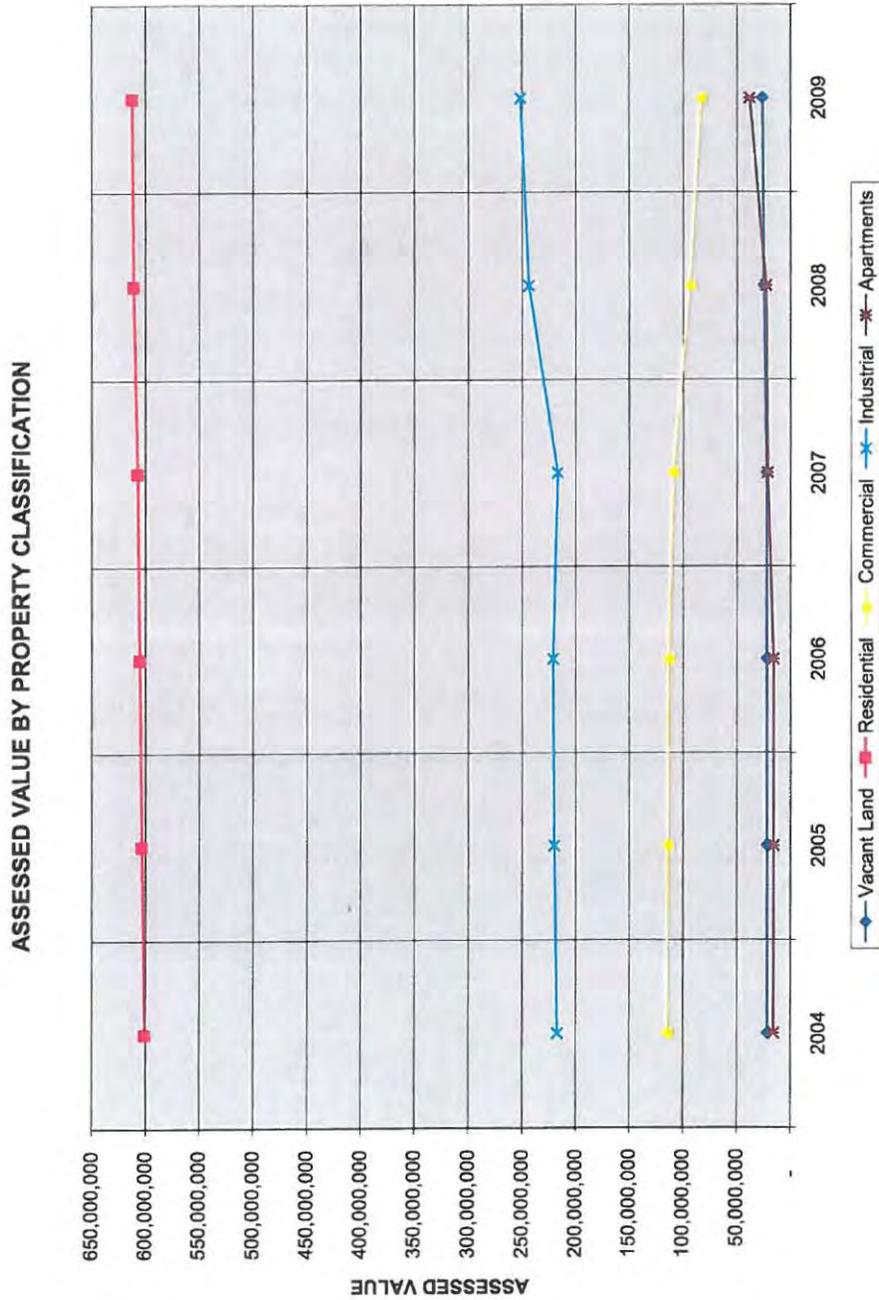


Table 66
Tax Levy on which Tax Rate is Computed
Carteret, New Jersey

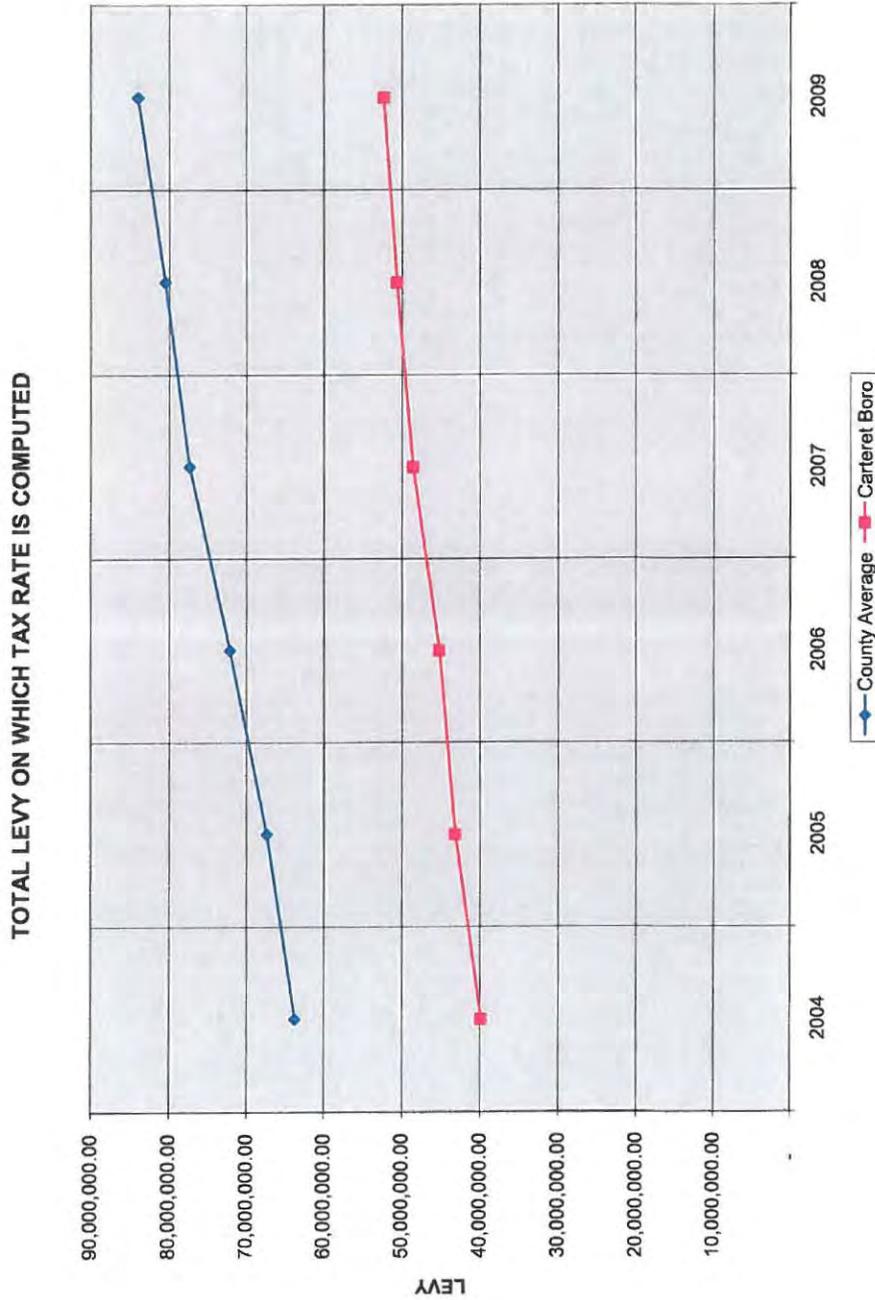


Table 67
Equalized Apportionment Value
Carteret, New Jersey

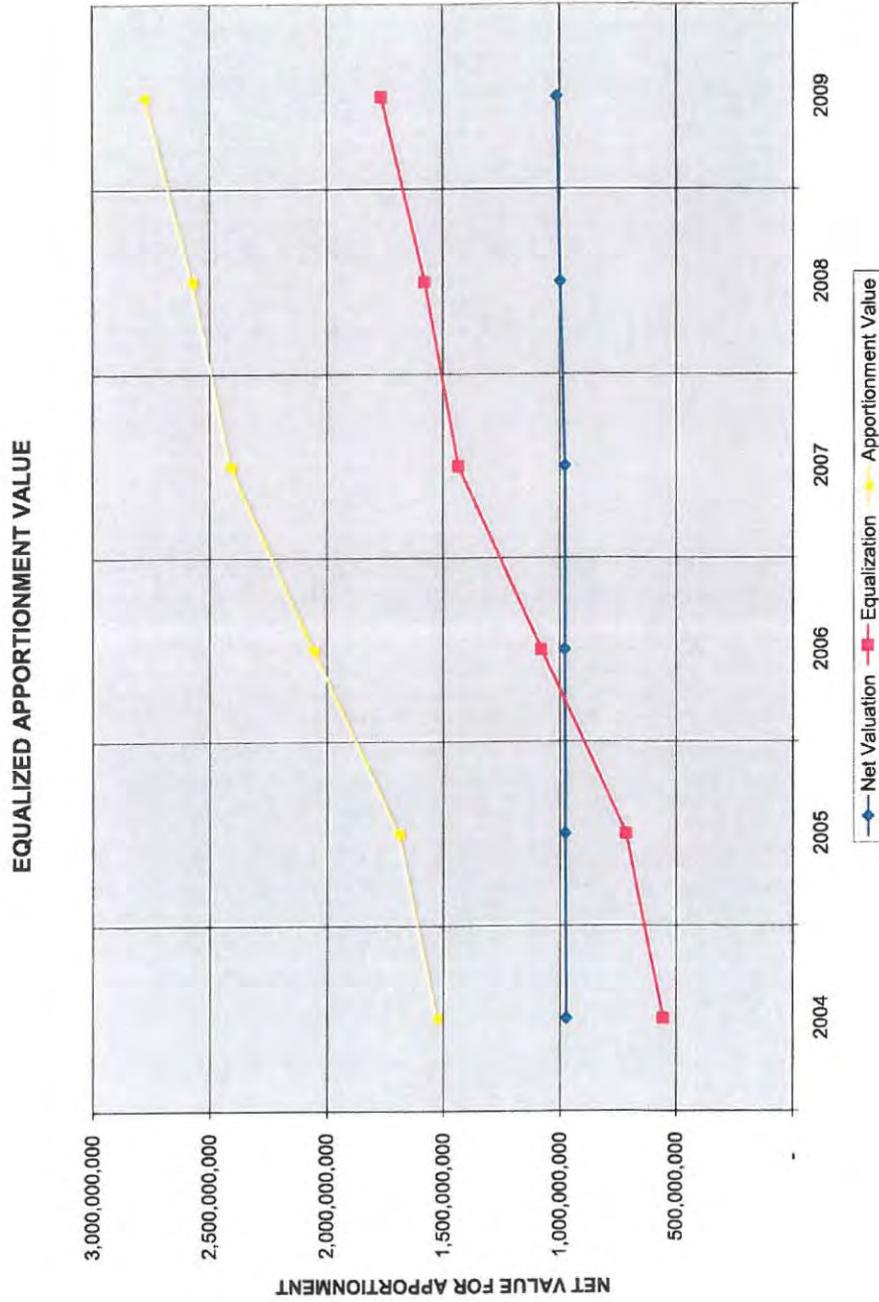


Table 68
Net Valuation for County Apportionment
Carteret, New Jersey

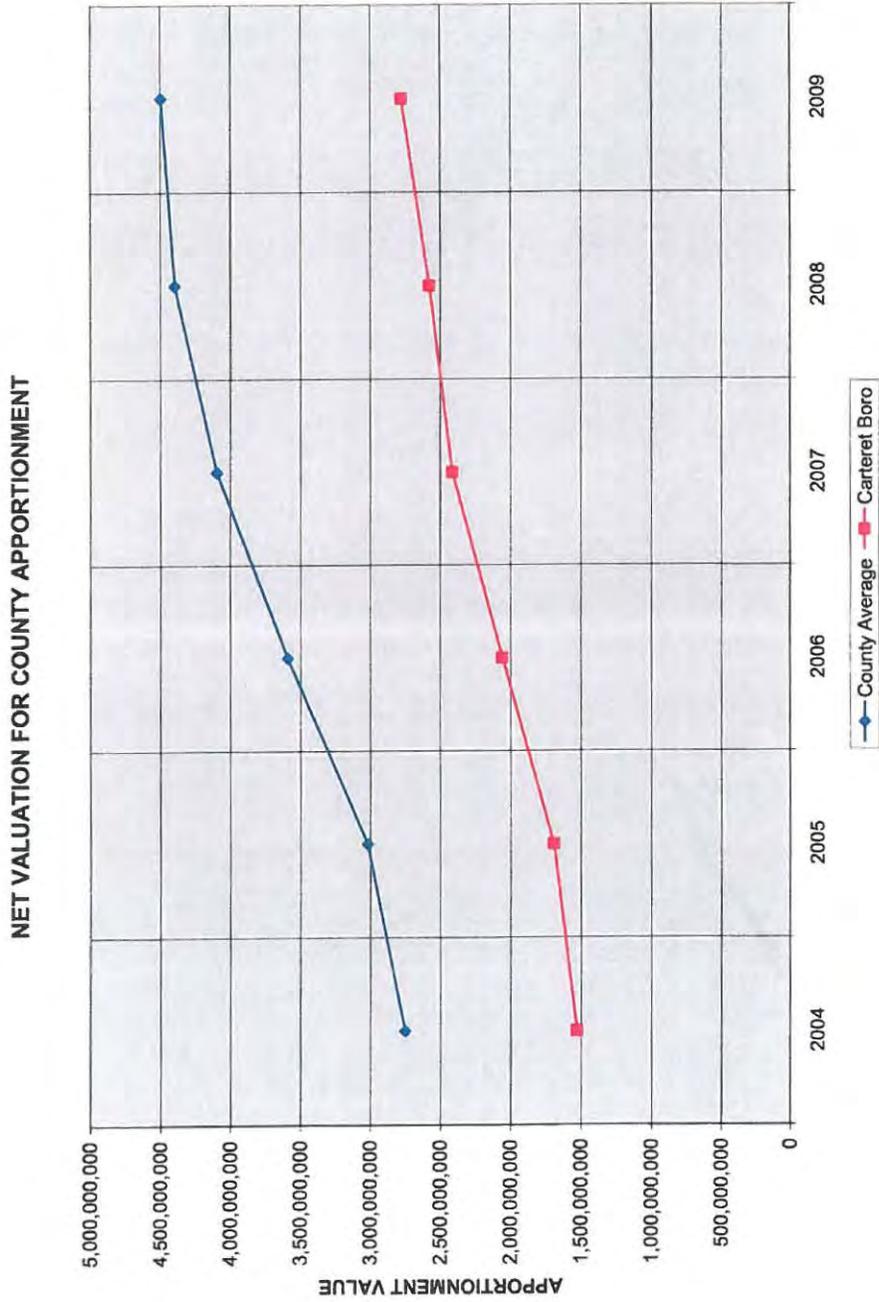


Table 69
Director's Table of Equalized Valuation
Carteret, New Jersey

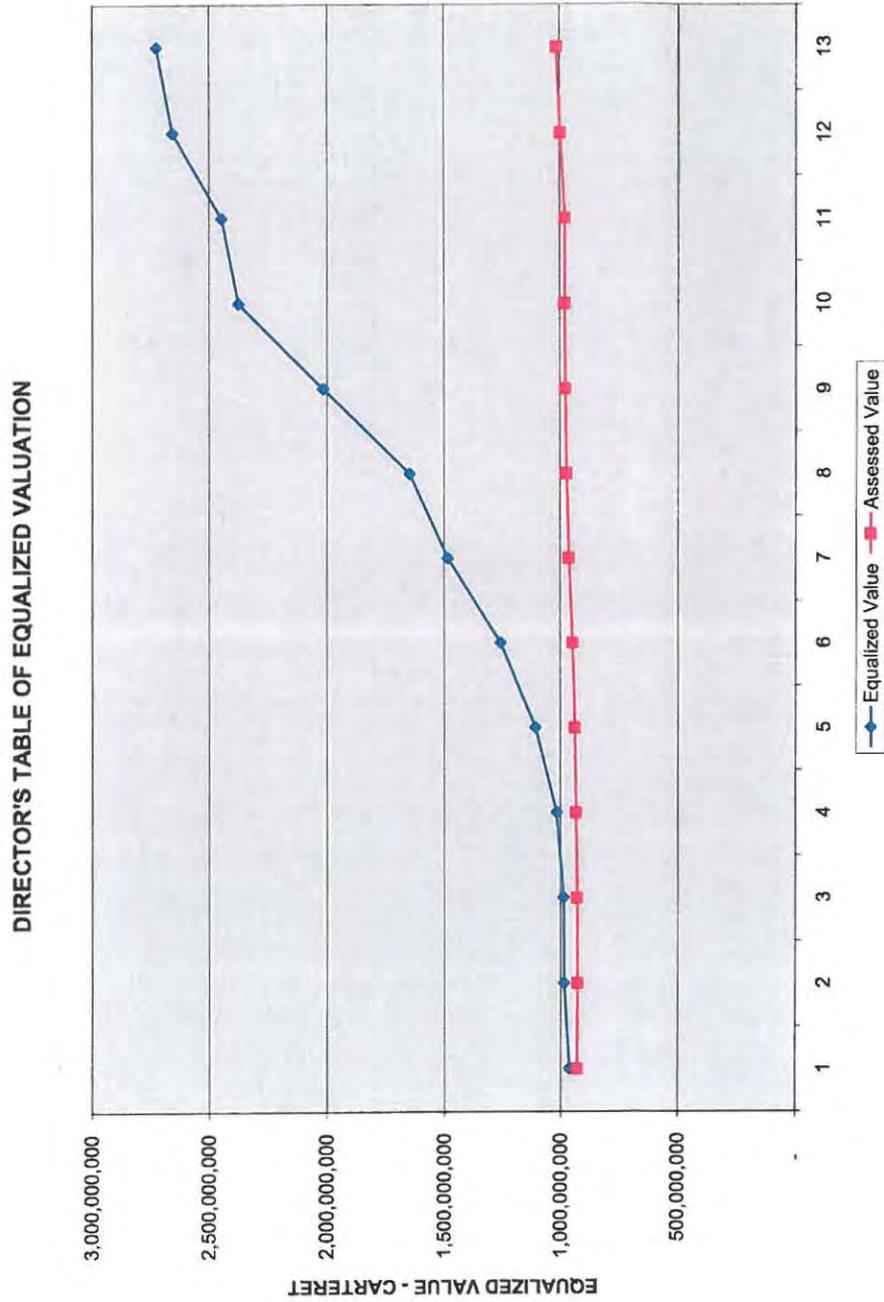


Table 70
Middlesex County Effective Tax Rates
Carteret, New Jersey

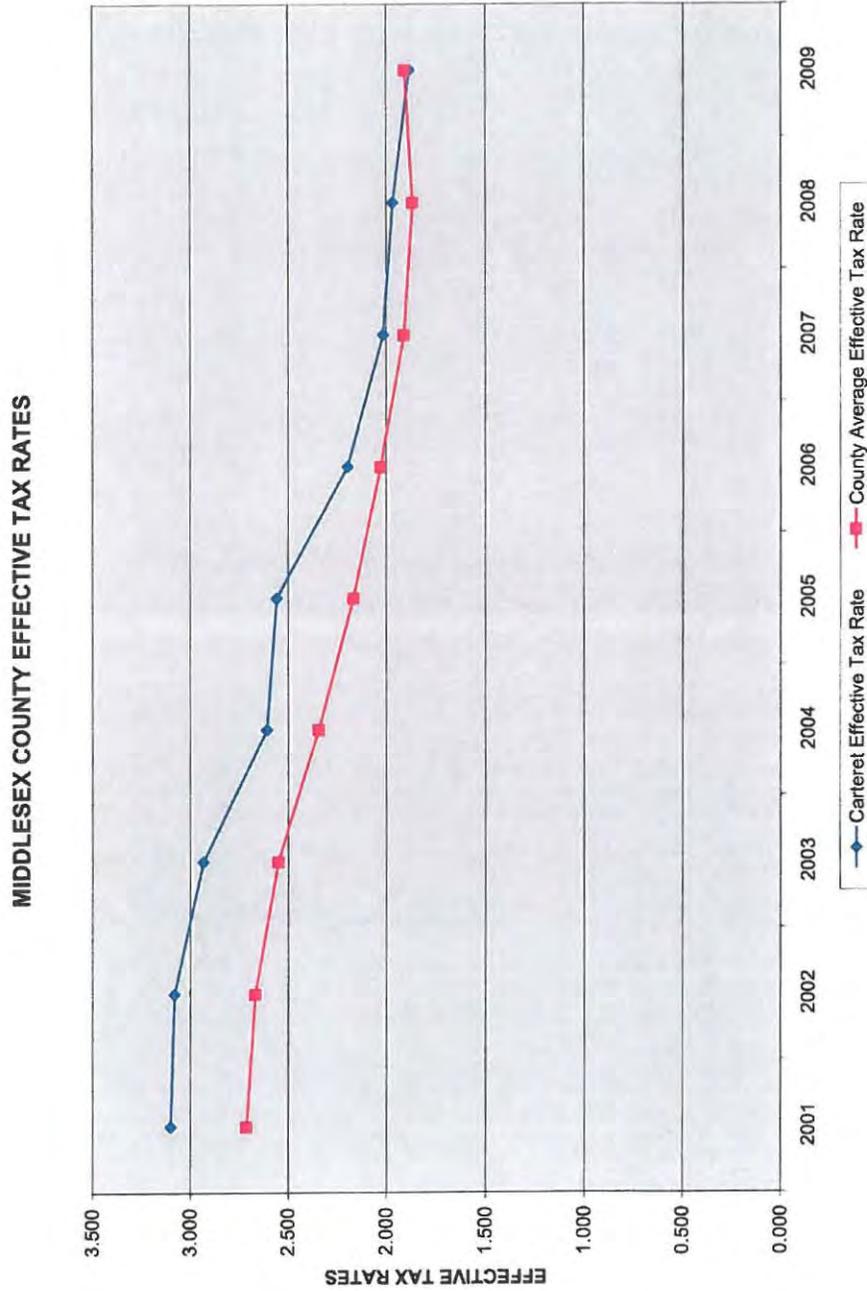
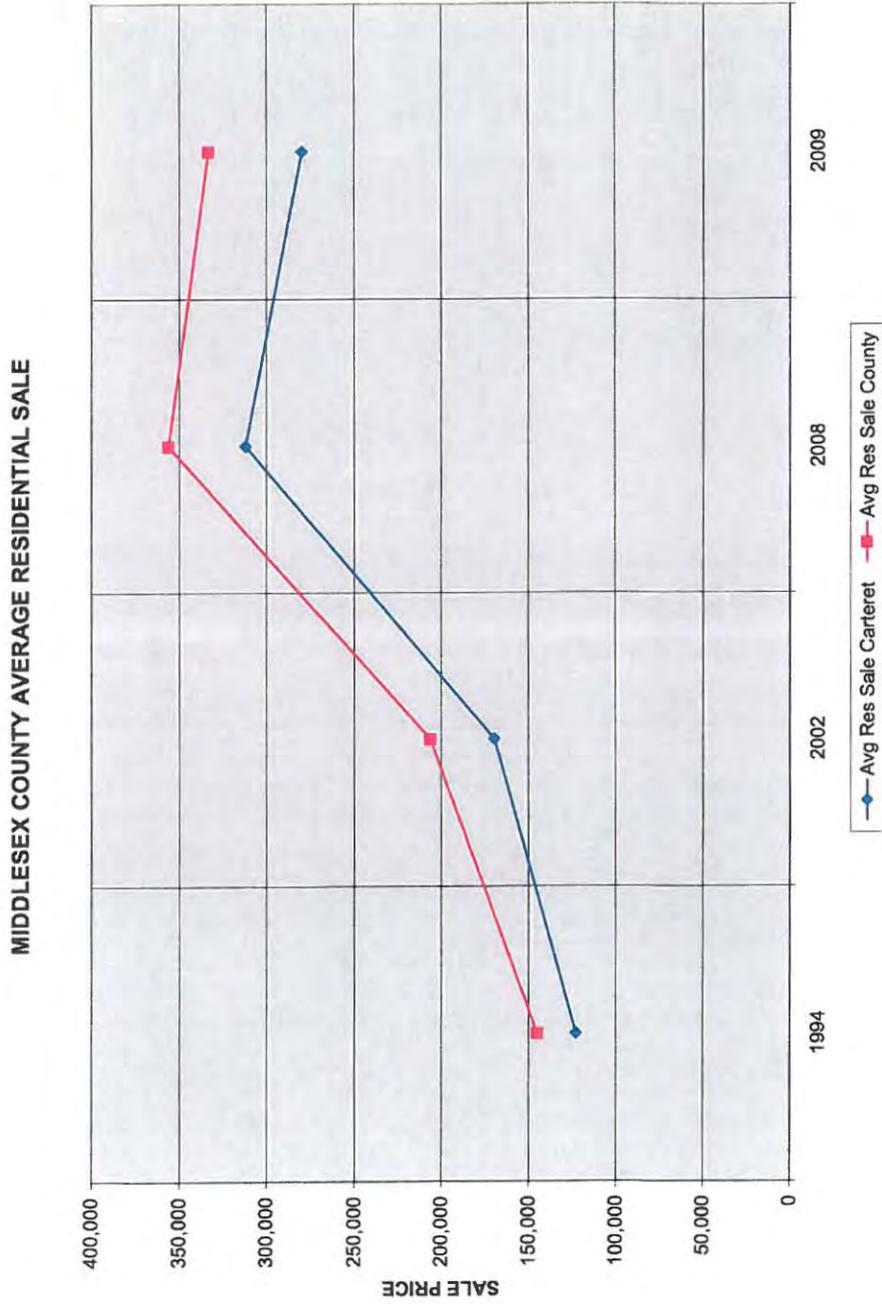


Table 71
Middlesex County Average Residential Sale
Carteret, New Jersey



REDEVELOPMENT INITIATIVES SPURRING ECONOMIC STIMULUS AND GROWTH:
HOW ONE NEW JERSEY COMMUNITY WAS REBORN
A CASE STUDY OF THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY

Table 72
Assessment Classification Summary
Carteret, New Jersey

Assessment Classification Summary - Carteret Boro									
Parcel Count By Property Classification									
	1	2	3A	3B	4A	4B	4C	Total Class 4	Total
	Vacant Land	Residential	Farm House	Farm	Commercial	Industrial	Apartment		
2004	233	5,052	-	-	192	105	10	307	5,592
2005	254	5,052	-	-	187	105	9	301	5,607
2006	251	5,052	-	-	184	105	10	299	5,602
2007	232	5,063	-	-	162	102	13	277	5,572
2008	293	5,086	-	-	160	85	16	261	5,640
2009	244	5,096	-	-	158	82	14	254	5,594
Assessed Value By Property Classification									
	1	2	3A	3B	4A	4B	4C	Total Class 4	Total
	Vacant Land	Residential	Farm House	Farm	Commercial	Industrial	Apartment		
2004	21,561,800	600,940,300	-	-	114,999,600	217,499,700	15,819,900	348,319,200	970,821,300
2005	21,955,400	603,317,100	-	-	114,400,500	220,093,000	15,630,300	350,123,800	975,396,300
2006	22,168,900	605,320,400	-	-	113,561,500	221,273,300	15,817,400	350,652,200	978,141,500
2007	22,441,250	607,248,124	-	-	109,199,400	216,767,200	21,308,700	347,275,300	976,964,674
2008	25,150,284	610,980,074	-	-	94,168,400	243,790,100	22,981,200	360,939,700	997,070,058
2009	26,879,984	612,201,449	-	-	83,727,730	251,598,400	38,364,800	373,690,930	1,012,772,363

Source: Middlesex County Abstract of Ratables

Classification of Real Property for Sales Ratio
The first step in the classification process is for the assessor to determine if the real property is taxable or exempt from taxation. Taxable real property is classified by the assessor into one of four broad property classes according to its use. Exempt property is classified separately according to its use. Proper classification and valuation are critical to the accurate development of assessment sales ratio statistics. The assessment sales ratio program is based on sales of property. Ratios are developed for only the taxable property classes of real property. Class ratios are calculated from the aggregate assessed value of each of the following four classes of taxable property:

- Class 1 Vacant land
- Class 2 Residential
- Class 3A Farmland regular
- Class 3B Farmland qualified
- Class 4A Commercial
- Class 4B Industrial
- Class 4C Multi-family (more than 4 units)

All exempt property is classified under class 15. However class 15 is further classified as follows:

- 15A Public School
- 15B Other School
- 15C Public Property
- 15D Church and Charitable
- 15E Cemeteries and Graveyards
- 15F Other Exempts

When exempt property sells, the assessor must determine what property class the property would be if it were taxable. The sale is recorded with the property class that it would be, if it were not exempt, along with the appropriate comment as either usable or non usable.

The net total assessed value for taxable property is the basis for the calculations used in the development of the Director's Table of Equalized Valuations.

Source: New Jersey Handbook For County Boards of Taxation, 2005

Tax Rates: Budgets Supported by Property Tax

The local property tax is a residual tax that supports the four local governmental units, the county, the municipality, the school district and the special district. Each governmental unit develops a budget, deducts from the budgeted needs all anticipated revenue, and the remaining amount (residual) is raised by property tax. Budgets are reviewed and approved by an oversight agency. The Department of Community Affairs and the Department of Education are the oversight agencies for budget approvals. After each budget is approved, certified, and transmitted to the county board of taxation, a tax rate can be calculated.

In each municipality the sum of the value of taxable real property and the value of locally assessed business personal property is the ratable base used to support local property taxes. Each municipality has a general tax rate that is the sum of several component rates. A municipal general tax rate includes all the applicable rate components from three local governmental units; the county, the municipal and the school budget. A municipality may also have one or more special district tax rates. Special district tax rates are not a component of the general tax rate. They are calculated and reported separately.

Tax Rate

A tax rate expresses the relationship between the levy, the amount to be raised by taxation, and the ratable base, the total assessed value of taxable property for a county or municipality. The county board of taxation calculates a tax rate component by dividing the certified budget by the aggregate assessed value of a municipality after applying applicable debits and credits. In accordance with New Jersey law, tax rates are expressed as a rate per \$100 of assessed valuation.

A review of both Carteret and Middlesex County statistics reveals that Carteret has fared well in terms of maintaining a generally favorable tax burden relative to its countywide municipal cohorts. As summarized in Tables 70 – 75, in 2004 Carteret's total countywide tax obligation represented 2.5 percent of the Middlesex County tax base. As of 2009 its obligation in percentage terms was unchanged. Direct comparisons between municipalities need to be made cautiously, however, as the levels of municipal services and corresponding budgets vary considerably. Nonetheless, in dollar terms, Carteret was the third largest taxpayer in Middlesex County in 2004. By 2009, Carteret's relative position had dropped to 13th, indicating a shifting of the tax burden to other municipalities. This is borne out by the tax levy comparison data found in the addenda of this report in which Carteret is ranked 13th in the county for both its tax and effective tax rate burdens.

In conclusion, Carteret has fared well in terms of maintaining a relatively stable residential base of properties relative to other municipalities in Middlesex County. The commercial base, although down in parcel count, has demonstrated a strong contribution to the overall ratable base. The tax burden to homeowner's has been good; its county rank has improved and is "safely" tucked into a ranking of 13th of the 25 communities that comprise Middlesex County. Prudent fiscal policy, tight budgeting, and quality long range planning have led to a consistently increasing surplus to support budgetary considerations, which will bode well for the future.

REDEVELOPMENT INITIATIVES SPURRING ECONOMIC STIMULUS AND GROWTH:
 HOW ONE NEW JERSEY COMMUNITY WAS REBORN
 A CASE STUDY OF THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY

Table 73
Tax Levy Comparison
Middlesex County, New Jersey

Tax Levy Comparison - Middlesex County						
Taxing District	Total Levy On Which Tax Rate Is Computed		Change From 2004 to 2009		County Rank	
	2004	2009	Dollars	Percentage		
1201	CARTERET BORO	39,866,638.63	52,362,309.54	12,495,670.91	0.31	13
1202	CRANBURY TWP	19,940,478.97	28,627,502.58	8,687,023.61	0.44	23
1203	DUNELLEN BORO	11,416,052.20	15,737,172.57	4,321,120.37	0.38	22
1204	EAST BRUNSWICK TWP	132,598,865.56	173,422,675.54	40,823,809.98	0.31	12
1205	EDISON TWP	234,809,638.82	302,852,003.10	68,042,364.28	0.29	10
1206	HELMETTA BORO	3,672,359.59	5,005,452.58	1,333,092.99	0.36	19
1207	HIGHLAND PARK BORO	27,387,150.28	34,579,877.65	7,192,727.37	0.26	7
1208	JAMESBURG BORO	9,766,008.28	12,016,404.41	2,250,396.13	0.23	3
1209	METUCHEN BORO	34,021,082.73	46,568,126.01	12,547,043.28	0.37	20
1210	MIDDLESEX BORO	27,444,553	36,263,252.89	8,818,700.38	0.32	14
1211	MILLTOWN BORO	15,737,873	19,802,415.27	4,064,741.84	0.26	6
1212	MONROE TWP	82,680,327	125,893,376.57	43,213,049.91	0.52	24
1213	NEW BRUNSWICK CITY	51,681,236	64,963,039.04	13,281,802.94	0.26	5
1214	NORTH BRUNSWICK TWP	86,752,753	110,408,752.21	23,655,998.92	0.27	8
1215	OLD BRIDGE TWP	114,524,604	139,478,270.26	24,953,665.81	0.22	2
1216	PERTH AMBOY CITY	43,298,376	85,822,311.94	42,523,936.41	0.98	25
1217	PISCATAWAY TWP	104,247,451	129,816,399.89	25,568,948.74	0.25	4
1218	PLAINSBORO TWP	64,656,520	77,728,551.32	13,072,031.00	0.20	1
1219	SAYREVILLE BORO	72,183,505	95,618,209.74	23,434,704.40	0.32	15
1220	SOUTH AMBOY CITY	13,227,077	18,171,646.89	4,944,570.26	0.37	21
1221	SOUTH BRUNSWICK BORO	121,344,329	155,226,897.69	33,882,568.94	0.28	9
1222	SOUTH PLAINFIELD BORO	53,786,374	71,595,080.58	17,808,706.79	0.33	16
1223	SOUTH RIVER BORO	19,842,686	26,670,977.04	6,828,290.56	0.34	18
1224	SPOTSWOOD BORO	14,861,747	19,848,017.54	4,986,270.81	0.34	17
1225	WOODBRIIDGE TWP	194,060,907	251,518,156.2	57,457,248.96	0.30	11
TOTAL MIDDLESEX COUNTY		1,593,808,393.45	2,099,996,879.04			

Source: Middlesex County Abstract of Ratables, Col 12, Section D, "Total Levy On Which Tax Rate Is Computed"

REDEVELOPMENT INITIATIVES SPURRING ECONOMIC STIMULUS AND GROWTH:
 HOW ONE NEW JERSEY COMMUNITY WAS REBORN
 A CASE STUDY OF THE BOROUGH OF CARTERET, MIDDLESEX COUNTY, NEW JERSEY

Table 75
Amount of Miscellaneous Revenue to Support Local Budget
Carteret, New Jersey

Amount of Miscellaneous Revenue to Support Local Budget				
Year	A	B	C	Total
	Surplus Revenue	Miscellaneous Revenues Anticipated	Receipts From Delinquent Tax	Miscellaneous Revenues
				(Col A + B + C)
2009	\$ 2,500,000.00	\$ 15,976,048.15	\$ 1,060,000.00	\$ 19,536,048.15
2008	\$ 2,500,000.00	\$ 14,452,316.79	\$ 1,330,000.00	\$ 18,282,316.79
2007	\$ 2,500,000.00	\$ 14,292,965.44	\$ 1,200,000.00	\$ 17,992,965.44
2006	\$ 2,403,000.00	\$ 14,455,274.40	\$ 1,025,000.00	\$ 17,883,274.40
2005	\$ 1,755,000.00	\$ 14,107,491.38	\$ 750,000.00	\$ 16,612,491.38
2004	\$ 1,414,000.00	\$ 14,418,690.92	\$ 900,000.00	\$ 16,732,690.92
Source: Middlesex County Abstract of Ratables				