Note: These articles were published under my former name, having been written before my transition.

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Open space backers race to beat builders

11 Morris towns await state funding

BY DAVID HOFFMAN
Daily Record

While the Legislature tinkers with proposals to pump money into the state's cash-starved open space programs, some are beginning to worry the fast pace of construction may outrun the slow shuffle of reform.

Lawmakers have flooded Trenton with bills aimed at raising money for the state's Green Acres and Farmland Preservation programs, but there appears to be little consensus on what should be the centerpiece.

The $360 million bond issued in 1995 to fund those programs has run out, leaving many towns that applied for the money vulnerable to development they can't afford to stop.

New Jersey's Open Space
Long Branch offers easy permits provided builders follow Shore city's plans, B6

That's bad news for the 11 Morris County towns that have applications for Green Acres money pending: Jefferson, Madison, Mendham, Mendham Township, Mount Olive, Roxbury, Wharton, Harding, Morris Plains, Montville, and Morris Township.

Wharton, for example, has a $3 million application pending for the purchase of Irondale Mountain it submitted to the state in 1996.

Mayor Harry Shupe said the town put its application in because the owner of the property had submitted a proposal to build 135 homes. The borough planning board rejected the application because it was incomplete, but rather than risk losing the property, the borough put in its application and is waiting for money.

Mount Olive wants to buy 180 acres adjacent to Turkey Brook Park, and has received $500,000 from the county for the land, but needs at least $3 million more in state money to complete the deal. Meanwhile a developer says he will build 98 houses there if the township doesn't buy the tract.

A few towns have gone ahead and funded purchases in hopes of getting Green Acres funds later. Jefferson has five Green Acres applications pending. Rather than wait for the state to grant a $350,000 application it made in 1996, the township recently purchased Camp Clifton, a 97-acre parcel off Weldon Road.

"We understand that Green Acres looks highly on the Camp Clifton project," said Township Administrator Robert J. Gallione Jr. "Once the funding mechanism is in place we could retroactively be funded for this project."

Tim Dillingham, executive director of the Highlands Coalition,

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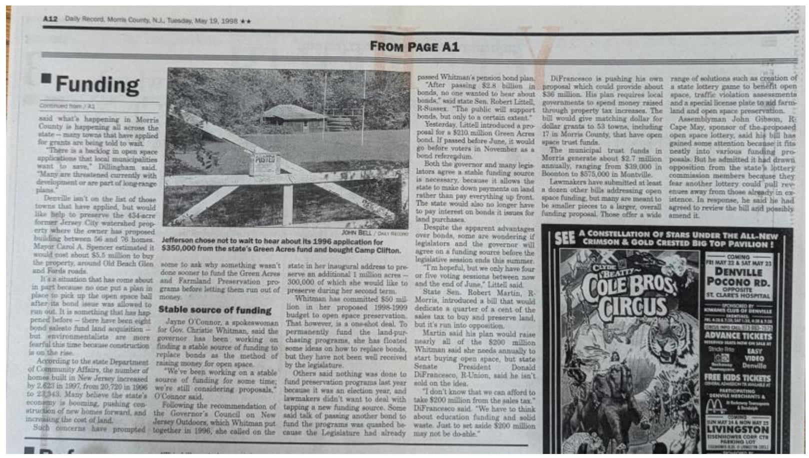
Waiting list

These Morris County towns have applications pending for Green Acres funding:

1996 APPLICATIONS	
Jefferson	
Camp Clifton	$350,000
Madison	
Gibbons Place	$340,000
Mendham	
Hilltop School Field	$600,000
MENDHAM TOWNSHIP	
Storer Tract	$775,000
Mount Olive	
Turkey Brook Park Development	$500,000
Roxbury	
Orben Drive	$300,000
Wharton	
Irondale Mountain	$3 million
1997 APPLICATIONS	
Harding	
Open space acquisition	$3 million
Jefferson	
■ Halsey Island Pk.	$223,000
■ Berkshire Valley	$450,000
■ Holland Mtn. Pk.	$125,000
■ Lake Side Park	$204,000
Montville	
Open space plan	$5 million
Morris Plains	
Morris Plains Park	$405,000
Morris Township	
Open space acquisition	$2.5 million
Mount Olive	
Open space plan	$6.6 million

Source: State Department of Environmental Protection



■ Funding

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said what's happening in Morris County is happening all across the state – many towns that have applied for grants are being told to wait.

"There is a backlog in open space applications that local municipalities want to save," Dillingham said. "Many are threatened currently with development or are part of long-range plans."

Denville isn't on the list of those towns that have applied, but would like help to preserve the 434-acre former Jersey City watershed property where the owner has proposed building between 56 and 76 homes. Mayor Carol A. Spencer estimated it would cost about $5.5 million to buy the property, around Old Beach Glen and Fords roads.

It's a situation that has come about in part because no one put a plan in place to pick up the open space ball after its bond issue was allowed to run out. It is something that has happened before – there have been eight bond salesto fund land acquisition – but environmentalists are more fearful this time because construction is on the rise.

According to the state Department of Community Affairs, the number of homes built in New Jersey increased by 2,623 in 1997, from 20,720 in 1996 to 23,343. Many believe the state's economy is booming, pushing construction of new homes forward, and increasing the cost of land.

Such concerns have prompted some to ask why something wasn't done sooner to fund the Green Acres and Farmland Preservation programs before letting them run out of money.

JOHN BELL / DAILY RECORD

Jefferson chose not to wait to hear about its 1996 application for $350,000 from the state's Green Acres fund and bought Camp Clifton.

Stable source of funding

Jayne O'Connor, a spokeswoman for Gov. Christie Whitman, said the governor has been working on finding a stable source of funding to replace bonds as the method of raising money for open space.

"We've been working on a stable source of funding for some time; we're still considering proposals," O'Connor said.

Following the recommendation of the Governor's Council on New Jersey Outdoors, which Whitman put together in 1996, she called on the state in her inaugural address to preserve an additional 1 million acres – 300,000 of which she would like to preserve during her second term.

Whitman has committed $50 million in her proposed 1998-1999 budget to open space preservation. That however, is a one-shot deal. To permanently fund the land-purchasing programs, she has floated some ideas on how to replace bonds, but they have not been well received by the legislature.

Others said nothing was done to fund preservation programs last year because it was an election year, and lawmakers didn't want to deal with tapping a new funding source. Some said talk of passing another bond to fund the programs was quashed because the Legislature had already passed Whitman's pension bond plan.

"After passing $2.8 billion in bonds, no one wanted to hear about bonds," said state Sen. Robert Littell, R-Sussex. "The public will support bonds, but only to a certain extent."

Yesterday, Littell introduced a proposal for a $210 million Green Acres bond. If passed before June, it would go before voters in November as a bond referendum.

Both the governor and many legislators agree a stable funding source is necessary, because it allows the state to make down payments on land rather than pay everything up front. The state would also no longer have to pay interest on bonds it issues for land purchases.

Despite the apparent advantages over bonds, some are wondering if legislators and the governor will agree on a funding source before the legislative session ends this summer.

"I'm hopeful, but we only have four or five voting sessions between now and the end of June," Littell said.

State Sen. Robert Martin, R-Morris, introduced a bill that would dedicate a quarter of a cent of the sales tax to buy and preserve land, but it's run into opposition.

Martin said his plan would raise nearly all of the $200 million Whitman said she needs annually to start buying open space, but state Senate President Donald DiFrancesco, R-Union, said he isn't sold on the idea.

"I don't know that we can afford to take $200 million from the sales tax," DiFrancesco said. "We have to think about education funding and solid waste. Just to set aside $200 million may not be do-able."

DiFrancesco is pushing his own proposal which could provide about $36 million. His plan requires local governments to spend money raised through property tax increases. The bill would give matching dollar for dollar grants to 53 towns, including 17 in Morris County, that have open space trust funds.

The municipal trust funds in Morris generate about $2.7 million annually, ranging from $39,000 in Boonton to $575,000 in Montville.

Lawmakers have submitted at least a dozen other bills addressing open space funding, but many are meant to be smaller pieces to a larger, overall funding proposal. Those offer a wide range of solutions such as creation of a state lottery game to benefit open space, traffic violation assessments and a special license plate to aid farmland and open space preservation.

Assemblyman John Gibson, R-Cape May, sponsor of the proposed open space lottery, said his bill has gained some attention because it fits neatly into various funding proposals. But he admitted it had drawn opposition from the state's lottery commission members because they fear another lottery could pull revenues away from those already in existence. In response, he said he had agreed to review the bill and possibly amend it.

'It's so stupid,' Stanhope woman says

State pursues mom for dead son's DMV fine

Collection agency requires proof of man's death

BY DAVID HOFFMAN
Daily Record

DAWN BENKO / DAILY RECORD

If death is but a door, can the state slip one final bill under the threshold?

It may sound ludicrous, but that's what New Jersey has been trying to do.

David P. Callaghan died nearly three years ago, but that hasn't stopped state agencies, through their collection agent LDC Collection Systems, from trying to get $290.59 from the deceased driver.

The state has been sending David's mother, Mary Lu Callaghan of Stanhope, collection notices demanding that her son pay up, or among other things, it will garnish his wages and place a lien on his property.

From sadness to frustration

"Initially my reaction was emotional: 'My God, it's a loss I'm never going to get over,'" Callaghan said referring to her son's death. "Then I realized how ludicrous it was. I wasn't so emotional as frustrated."

Callaghan said she started getting collection notices two years after her 25-year-old son died of a drug overdose in his Hoboken apartment in 1995. Since then she said she has been receiving about eight or nine notices every three weeks demanding her son pay his driving fines.

See MOM / A11

Mary Lu Callaghan, left, has been receiving notices from a collection agency seeking surcharges from her late son, David, above.

'This is just another example of many of the problems associated with privatization. They're just in it for the money.'
Sen. Shirley Turner, D-Mercer

■ Mom

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In its zeal to collect "bad-driver surcharges" levied on David's driver's license for racking up too many points, the state tracked Callaghan down at her Dell Place home in an attempt to get to her son.

"It's so stupid," she said. "It seems like an awful waste of taxpayer money."

When she called LDC Collection Systems in Trenton earlier this month, she said she was told she was being uncooperative and "the state of New Jersey does not mind spending money this way."

The next day she said she received a collection notice from the state saying it was very sorry for her loss, and would she please send it a copy of David's death certificate to prove he was dead.

Willing to apologize

Dan Emmer, a spokesman with the state Treasury Department, said he would "apologize if LDC has been rude to someone," but sided with the agency's claim that Callaghan had been uncooperative.

Callaghan let the agency know that her son had died, but failed to give it a death certificate, Emmer said. The agency wrote a letter back, asking for a copy of the certificate, but she refused, he said.

"We don't think it's overly taxing for someone to give us the death certificate," he said. "We would suggest that she help us in this. It's just a standard thing."

But Callaghan said the death certificate is a state document, and after having already given copies to David's creditors, she was in no rush to mail it to the state just because it doesn't want to look in its own files.

Emmer, however, said the Treasury Department doesn't have a system in place to look up that type of information. He also said the state believes it's more accurate to get the information firsthand.

That explanation didn't wash with some state legislators, mostly Democrats, who have opposed using private companies to do work that was once handled by state employees.

"This is just another example of many of the problems associated with privatization," said state Sen. Shirley Turner, D-Mercer. "They're just in it for the money."

Turner said because companies like LDC are paid based on how many collections they make – and the more collections they make the more they earn – they are more likely to try and bill the dead.

LDC was given a three-year contract by the state in 1996 to go after bad-driver surcharges, Emmer said. In 1997, the state paid out $6.9 million to the company for collecting $112 million in fines, he said.

Emmer said the company is paid on a sliding scale and gets anywhere from between 2.9 to 12.5 percent of the fines it collects, depending on how much effort goes into collecting them.

The decision to contract out to a private collection agency got off to a rocky start in 1995 when the state originally contracted 13 law firms and three collection agencies to go after the surcharges. At that time the state had about 119,000 drivers who owed more than $500 million in bad-driver surcharges.

The bad-driver surcharge was started in March 1984 during Gov. Thomas Kean's administration. Under the program motorists who run up six traffic violation points are assessed an annual $100 surcharge for three years, plus $25 for each additional point, according to the Division of Motor Vehicles.

State officials had hoped that hiring the private agencies would help them collect those fines, but by 1996 they had only recovered a fraction of the $119 million they had hoped to get.

Rather than scrap the idea of using private agencies to collect the fines, the state decided to allow companies to bid for the right to be the sole collector of bad-driver surcharges. LDC Collection Systems won that bid.

No other complaints

Emmer said to his knowledge, no one other than Callaghan had ever complained about LDC trying to collect fines from the dead. He defended the agency's actions saying it had followed procedure, and if only Callaghan would give it the death certificate, the issue would go away.

Callaghan's response is that the state already has the death certificate, and it should stop wasting taxpayer dollars. If it keeps sending her collection notices, she'll just keep throwing them away, she said.

"You can't get blood from a turnip, and you can't get money from a dead man," Turner said.

MORRIS COUNTY'S NEWSPAPER VOL. 11 NO. 48

Should builders pay for burden on schools?

Bill to ease cost of new families has uncertain future

BY DAVID HOFFMAN
Daily Record

A state lawmaker, with the aid of a growing number of local and school officials, wants to force developers who build homes that add to a school district's enrollment to help pay for the extra students.

The Roxbury school district is among those championing the Senate legislation. It was one of the first districts in the state to pass a resolution favoring the proposal to make developers pay a fee for new homes.

Roxbury expects to be deluged with students as a result of developments such as Poet's Peak, which will include 315 single-family homes, and Forest Hollow, which will include 100 single-family homes. Based on projected growth patterns, school officials said they expect to see an increase of between 500 and 1,000 students in 10 years.

INSIDE

■ Projected student enrollment in Roxbury, A6

"I think it's fair for builders to bear a fee for new construction," said school board

See FEES / A6

■ Fees

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President Craig Heard.

State Sen. William E. Schluter, R-Mercer, plans to push the fee proposal in the next legislative session. He even has asked Gov. Christie Whitman to include it in her State of the State address.

But given the fee's history, some are skeptical it will go anywhere.

Julie Plocinik, a spokeswoman for the governor, said the Department of Education is reviewing the concept, but Whitman won't take a position on the idea until it has passed the Legislature.

Bill died in committee

Schluter introduced a bill last year that would have allowed districts to collect fees, but it never made it out of committee. Schluter said opposition from the state's builders likely killed it.

The New Jersey Builder's Association donated $314,700 to candidates in 1995-96. Individual developers, like Toll Brothers and Hovnanian, donated thousands more.

Patrick O'Keefe, executive director of the builder's association, said his organization has made no secret of its opposition to the fees. He said such fees would be added to the cost of a new home.

Schluter plans to get grass-roots support for the fees before introducing a bill.

He said he has assembled a group led by the New Jersey School Boards Association and the New Jersey State League of Municipalities to spearhead the effort.

The school board group also has muscle in Trenton, donating $515,474 to candidates in 1995-96.

Introduction next month?

Schluter said he wants to introduce the legislation before the Senate Community Affairs Committee in mid-February, and with the support of school boards, hopes to convince his colleagues there's enough public support for the fees that it would be in their best interests to vote yes.

Many of those legislators Schluter will need to convince live in Morris County. None said they would commit to support the fees, and at least one called it a bad idea.

"I don't think I'd be in favor of it," said Assemblyman Alex DeCroce, R-Morris. DeCroce, who owns a real estate company, said he was afraid such a "tax" could lead to other additional fees on new homeowners.

School boards association spokesman Frank Belluscio said the bill would give towns some discretion over the fees, but added the state would be charged with developing guidelines to ensure fees are not excessive.

If the bill is passed, the chances of it helping Roxbury are slim because the township already has approved plans for developments. But that hasn't dampened the desire to see such legislation.

School board member Larry Martin, who help develop the district's resolution in 1994 calling for the fees, doesn't understand the opposition. Towns can levy fees for such things as sewer and road improvements, and education is just as important, he said.

"Obviously kids are more important than sewers," Martin said.

In order to cope with development, Roxbury is putting together a multi-million dollar referendum to pay for about 24 new classrooms, but Martin and others said the cost could be reduced if developers were forced to chip in.

Voters have a history of voting down school referendums, and the fees would help schools cope with such defeats, Belluscio said. The school boards association looked at 111 school bond elections held since June 1996, and found that only 55 of them were approved.

Approval in Mt. Arlington

Mount Arlington residents recently approved $3.6 million for improvements at that district's middle school, but school board President John Windish said it would be easier if the district were allowed to impose the fees, even though the district is small and sends high school students to Roxbury.

Windish said 10 high school students moved into his district two years ago, and were sent to Roxbury at a cost of $8,500 each. The district also had to send three special education students out of district at a cost of $30,000 each. The total cost was $175,000.

Because the district didn't have enough money for this, Windish said a guidance counselor, music teacher and special education teacher were laid off. If the district had been able to collect the fees from new developments, those employees may have not lost their jobs, he said.

Courts have been a major roadblock to the fees.

Bernards tried to levy the fee in 1987, but the state Supreme Court said no because the Legislature had not given Bernards the authority to do so.

Rejection in Colorado

A Colorado court took similar action in 1996, when it said some districts had to refund about $10 million in fees collected since 1992 because the Legislature had never given its approval.

That fee averaged about $2,000 for every new home built, netting the school districts $20 million. The fees allowed school districts to build additions to two high schools, and begin work on four elementary schools. School officials said the fees were designed to generate 10 to 15 percent of the districts' construction budgets.

The only state that appears to have a fee similar to the one being considered in New Jersey is California. School districts there were given the ability to levy fees as a result of legislation passed in 1987.

Henry Heydt, assistant director of the California Department of Education, said developers must pay $1.84 per square foot for each home they build.

Builders also pay 30 cents per square foot for commercial space – when it can be proven that such buildings, such as corporate headquarters, will attract families with children.

Higher property taxes?

Developers aren't happy with California's fees, but Heydt said their prediction that building would slow down does not appear valid.

O'Keefe, of the New Jersey Builder's Association, said in addition to raising the initial cost of a new home, the higher price tag will result in increased property taxes for new home buyers.

He said it isn't fair to ask new homeowners to take on this burden when older residents, and those who buy older homes, would escape the fees.

He also doubted whether the fees would be able to bring in enough revenue for school districts, and suggested such fees represent a temporary solution to a larger problem – that school districts rely too much on property taxes.

"The way in which we finance education needs to be totally restructured," O'Keefe said. "The New Jersey Constitution says that state schools require a fair and efficient education.

That constitutional responsibility is a state responsibility. It shouldn't fall selectively on the shoulders of certain home buyers."

Incoming students in Roxbury

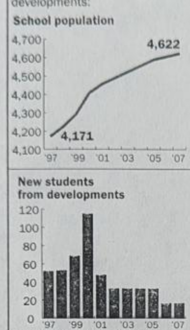
The number of students each new housing development in Roxbury is expected to add to K-8 schools between 1997 and 2007.

Development	Low estimate	High estimate
River Park Village, 1997	14	20
Wellfleet, 1999-05	112	190
Hunter's Ridge, 1998-01	60	97
Poet's Peak, 1997-07	187	315
Goltdiener Associates, 2000	16	25
Dellamo, 2000	7	14
Rennaissance, 2000	23	39
Willow Walk, 1997-00	40	76
Forest Hollow, 1997-00	44	70
Total	503	846

Source: Roxbury Board of Education

Rising enrollment

Roxbury's projected year-by-year school growth from housing developments:



Source: Roxbury school board, based on low estimate

ANATOLY ZAK / DAILY RECORD

> 'Obviously kids are more important than sewers.'
> Larry Martin, Roxbury school board member