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## In Success of 'Smart Growth,' New Jersey Town Feels Strain

By [KEN BELSON](#)

WASHINGTON TOWNSHIP, N.J. — The neighborhoods here seem plucked from an urban planner's catalog: trimmed lawns, picket fences and freshly minted homes. Shopping is an easy stroll away on the wide sidewalks. A greenbelt wraps the town like a bow.

But there is growing frustration with the very thing that attracted thousands of families here in the first place: a high-density "smart-growth" development in the middle of town.

That project, the 400-acre Washington Town Center — designed according to state planning goals as a remedy to suburban sprawl — has become a victim of its own success, town officials and residents said. So many families have flocked to Washington Township, eight miles east of Trenton in Mercer County, in the nine years since construction began that the schools are overflowing, property taxes are skyrocketing and the main streets are clogged.

Overwhelmed, town officials have turned trailers into classrooms, eliminated a separate fire district to save \$900,000 and lent their construction manager to Asbury Park for a \$150,000 fee. Last month, they sued the state Department of Education for money they claim was unfairly cut off when Washington Township was deemed too wealthy to receive what is known as "core curriculum aid," about \$2 million a year.

"Washington Township did everything right for smart growth, but families want to live there so bad, their numbers have gone through the roof," said George Hawkins, executive director of [New Jersey Future](#), a nonprofit group that supports smart growth. "We're going to undercut ourselves if we make it more expensive for people to do the right thing."

Now Mayor David Fried is considering a drastic remedy: using eminent domain to seize undeveloped tracts and prevent developers from building hundreds of more homes, lest more young families move in.

"The last thing you want to do is turn kids into liabilities," Mr. Fried said. "But we were slated for another 500 homes, and if we did that, it would be catastrophic because I can't even handle the kids we have already."

Turning away children is about the last thing anyone expected when the smart-growth concept was conceived as a family-friendly village center where homes, shopping, schools and businesses are all within walking distance. Like Celebration, Fla., and other planned communities, Washington Town Center, which covers 3 percent of Washington Township's land, deliberately echoes early-20th-century towns.

New Jersey, like other densely populated states, has tried to encourage smart-growth policies, offering to expedite permits and other state agency requirements. Although the movement has helped New Jersey preserve hundreds of thousands of acres of wetlands, shoreline and forest,

the state has had a harder time getting towns to create neighborhoods with four or five homes per acre instead of the one or two homes found in most suburbs.

Town officials fear that the extra residents will increase congestion. Developers, citing consumer demand, also say they prefer to build bigger, more expensive homes. Washington Township was the first municipality in New Jersey to build a town center from the ground up, using a planning grant of about \$40,000 from the state's Office of Smart Growth.

Defying skeptics, Washington Town Center was an immediate hit when it opened at the beginning of the decade, not just with young families, but also with empty-nesters and older residents seeking a cohesive community outside of the cities.

"Here I was a city girl, and the idea of living in the cows was making me crazy," said Joanne Lasky, who moved with her husband to Town Center from Manhattan in 2003. "It felt like a good marriage between the city and the suburbs."

Ms. Lasky said she also was drawn by the relatively low taxes, reasonably priced homes and easy access to New York, Trenton and Philadelphia.

To accommodate the flood of new families, Washington Township built a high school and expanded two of its three other schools, which attracted yet more families. Enrollment in Washington Township Public Schools is expected to hit 2,717 students this year, up from 1,175 students in 1998.

Property values and incomes also went up. (The current median income, \$41,341, up from \$30,808 in 1998, puts Washington Township in the top quarter of the state's municipalities.) Those increases led the state to rule that Washington Township was no longer eligible for \$2.2 million in annual aid used for teacher salaries and other basic school functions — money the town is suing the state to recoup.

The lost state aid might have become an afterthought if the township had been able to collect anticipated taxes from commercial property next to Town Center. Route 33, now a major thoroughfare, was supposed to be transformed into an old-fashioned commercial center, with slower traffic and parking and shops lining both sides of the street.

But the state Department of Transportation, which had initially supported the township's plan for a bypass to detour cars heading to the New Jersey Turnpike, refused to finance the project after deciding that it would create congestion.

These days, a bank and a boutique are the only stores open on the north side of Route 33, facing a liquor store and a string of boarded-up homes and restaurants. Town officials are talking to developers about paying the \$7 million needed to build the bypass.

Without the expected commercial taxes, residential property taxes in Washington Township rose 84 percent between 1998 and 2004, the latest year for which statewide figures are available.

In 2004, the average tax bill here was \$6,852, more than \$1,300 above the state average. In 1998, when Town Center construction began, the average was \$50 below the state average.

Last year, Washington Township's tax rate was \$4.78 per \$100 of assessed value, up from \$2.57 per \$100 of assessed value in 1998. Town officials said they plan another 7 percent increase in the tax rate this year.

The growing tax bills have led many retirees and residents without children to move out, officials said.

"Fewer and fewer buyers now are people without children," said the town administrator, Mary Caffrey, adding that 23 percent of the original Town Center homebuyers did not have school-age children. "The people who are coming in now are, by and large, with kids. Several of the original owners have left."

Still, towns like Alpine, Glen Ridge and Montclair have higher tax rates than Washington Township, according to New Jersey Future. In Mercer County, five towns have higher average tax bills. The tax burden relative to average incomes is also far higher in poorer places like Elizabeth and East Orange.

But taxes in Washington Township rose faster between 1998 and 2004 than in all but 13 towns in New Jersey. In Mercer County, no town experienced a steeper increase in that period.

Some Washington Township residents, as well as town officials, have started to blame smart growth for the municipal problems. While the majority of the 13,000 residents live outside Town Center, nearly all of the 2,500 who have arrived since 2000 live there.

"We're constantly hitting a brick wall because the average resident doesn't really get the benefits of a pedestrian-friendly concept," said Jodi Stephens, who has lived in Washington Township for more than 20 years and is a plaintiff in the school-aid lawsuit. "I'm having to play referee."

Mayor Fried, meanwhile, has begun soliciting bids to appraise the town's undeveloped parcels that are zoned for 500 new homes, the first step in a potential eminent domain seizure. Last month, one of the three developers who own the land, Sam Marrazzo, headed off a showdown by agreeing to build 30,000 square feet of office space on his property instead of 36 apartments.

Mr. Fried said the town was embarking on what he acknowledged was a desperate step because the Office of Smart Growth had been unable to help Washington Township win support for its plans from the Department of Transportation and other agencies.

"We've won just about every award out there for smart growth, but we're getting no help from the state," Mr. Fried said.

Asked about the situation in Washington Township, Eileen Swan, executive director of the Office of Smart Growth, would say only that her office had "been willing to assist any municipalities to comply with smart-growth policies." She added that her office now brings together state agencies and townships at the beginning of smart-growth planning, but that the process did not exist when Washington Township started work on its Town Center.

Ocean Township, a community of 7,500 centered on Waretown in Ocean County, expects to become one of the first three municipalities in the state to take advantage of Ms. Swan's smart-growth process. Ocean Township has created a plan that would redirect traffic off Route 9. The state will help with grants and technical assistance and will coordinate meetings with agencies.

Ocean Township already has shrunk its planned 500-acre town center, to be built on swaths of pinelands, to 225 acres of stores, a municipal complex, a school and affordable housing connected by bike and pedestrian paths and served by a local bus line. More than 1,000 acres would be preserved as open space.

“Every state department had a say in what we’re doing, from education to transportation to agriculture, and because we’ve done it that way, now the Township of Ocean is first in line for any technical or financial assistance,” said Mayor Daniel M. Van Pelt.

As for Washington Township’s struggle, Mr. Hawkins of New Jersey Future suggested that Massachusetts’ experience might provide a solution. Towns there can receive up to \$600,000 for zoning of high-density growth plans and \$3,000 for each new home built under such plans. The state will also cover educational costs that towns incur as a result of their smart-growth policies.

Connecticut’s legislature is considering a bill to establish a similar system.

*Tina Kelley contributed reporting.*